

August 30, 2017

Notice Concerning Revisions to Business Forecasts

In view of recent trends in operating results, Yumeshin Holdings Co., Ltd., revised its business forecasts for the fiscal year ending September 2017 which were announced on November 4, 2016. Details are as follows.

1. Revision to consolidated business forecasts for the fiscal year ending September 2017
(October 1, 2016 – September 30, 2017)

(Million yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
Previous results (A)	30,800	3,600	3,600	2,100	28.16 yen
Revised forecasts (B)	30,500	2,200	2,200	1,390	18.64 yen
Increase/decrease (B-A)	-300	-1,400	-1,400	-710	
Percentage change (%)	-1.0%	-38.9%	-38.9%	-33.8%	
(Ref.) Previous results	23,270	2,433	2,463	1,622	21.76 yen

2. Revision to non-consolidated business forecasts for the fiscal year ending September 2017
(October 1, 2016 – September 30, 2017)

(Million yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous results (A)	22,700	3,300	3,500	2,400	32.18 yen
Revised forecasts (B)	22,400	2,800	3,000	1,900	25.48 yen
Increase/decrease (B-A)	-300	-500	-500	-500	
Percentage change (%)	-1.3%	-15.2%	-14.3%	-20.8%	
(Ref.) Previous results	17,400	2,212	2,390	1,747	23.44 yen

3. Reason for revision

In the construction engineer temporary staffing business, net sales are expected to be generally in line with the plan as the number of engineers has increased and the unit price of temporary staffing has improved. However, operating income is expected to be 2,800 million yen, a decrease of 500 million yen from the initial plan of 3,300 million yen. This is because operating time declined more than expected, and recruiting cost increased since the number of recruits reached about 2,500, surpassing its target of 2,000.

In the engineer temporary staffing business, net sales are expected to be generally in line with the plan owing to an increase in the number of engineers. However, operating income is expected to be 180 million yen, a decrease of about 420 million yen from the initial plan of 600 million yen. This is because recruiting cost increased as Yumeshin revised the recruitment target from 675 people to 1,000 people in this fiscal year, and the initial investment cost was incurred for switching from the outsourced training program to in-house training program.

In other businesses, performance is expected to be lower than planned value by 250 million yen in net sales and 480 million yen in operating income. This is mainly because some expenses exceeded expectations, including capital investment for educational facilities of the education-related business, website construction cost and ad expenses.

Based on the above, as for the consolidated business forecasts, Yumeshin forecasts net sales of 30,500 million yen, operating income of 2,200 million yen, ordinary income of 2,200 million yen and net income attributable to owners of parent of 1,390 million yen. There is no revision to the annual dividend forecast.