

April 27, 2010

Notice of Revisions to Consolidated Earnings Forecasts for the Six Months Ended March 2010 and Posting of Extraordinary Loss

Septeni Holdings Co., Ltd. has revised its consolidated earnings forecasts for the six months ended March 2010 due to recent trends in operating results. The forecasts replace the forecasts that were announced on November 5, 2010.

In addition, the Company will post extraordinary losses for the second quarter ended March 2010 as follows.

1. Revisions to consolidated forecasts for the six months ended March 2010 (October 1, 2009 through March 31, 2010)

(Yen in millions)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecast (A)	17,000	400	350	200	1,567.78
Revised forecast (B)	16,200	540	500	230	1,822.71
Increase/decrease (B-A)	(800)	140	150	30	—
Percentage change (%)	(4.7)	35.0	42.9	15.0	—
(Reference) Previous results (six months ended March 31, 2009)	17,240	332	220	(130)	(987.43)

2. Reasons for revisions to earnings forecasts

Net sales in all businesses were lower than expected. However, operating income increased by about 140 million yen and ordinary income increased by about 150 million yen due primarily to improvement in gross margin and cut in expenses.

Septeni Holdings expects about 30 million yen increase in net income compared with the original forecast. This is because despite the effect of posting impairment loss as stated in "3. Major Extraordinary losses incurred in the second quarter ended March 2010", tax expense is expected to be reduced by adopting a new tax effect accounting for tax losses carried forward in Septeni Holdings and certain subsidiaries and posting of deferred tax assets.

At present, there is no change in consolidated earnings forecasts for the year ending September 30, 2010.

3. Major extraordinary losses incurred in the second quarter ended March 2010

Item	Amount posted (million yen)		Description
	Consolidated	Non-consolidated	
Impairment loss (Impairment of goodwill)	255	—	In response to poor performance of Commerce business (Acquires, Inc.), Septeni Holdings revaluated goodwill for this business. As a result, Septeni Holdings treated goodwill which was not judged to recover, as impaired.
Loss on write-down of affiliates	—	234	In response to poor performance of certain subsidiaries (Acquires, Inc. and one other subsidiary), Septeni Holdings revaluated each subsidiary's corporate value. As a result, Septeni Holdings posted a valuation loss because the Company has determined that the actual values of subsidiaries' shares dropped significantly.

<Note>

Above forecasts are based on information available at the time this report was prepared. The forecasts embody uncertainties. Therefore, actual results may differ from the above forecasts due to various factors.