



**JASDAQ**

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For Immediate Release

Company name: SEPTENI HOLDINGS CO., LTD.

Representative: Representative Director, Group President and Chief Executive Officer

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(JASDAQ code: 4293)

## SEPTENI HOLDINGS Announces Revision of FY2018 Consolidated Earnings Estimates

In light of recent earnings trends and other factors, SEPTENI HOLDINGS announced that it has decided to revise the full-year earnings estimates for the fiscal year ending September 30, 2018 (October 1, 2017 to September 30, 2018) disclosed in the announcement of the business results for the second quarter of the fiscal year ending September 30, 2018. Details are as follows.

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### 1. Fiscal Year September 2018 Consolidated Earnings Estimates (October 1, 2017 to September 30, 2018)

	Revenue	Non-GAAP Operating profit	Profit for the period attributable to owners of the	Basic earnings per share
Forecast announced previously (A)	Million Yen 16,376	Million Yen 1,718	Million Yen 1,204	Yen 9.52
<b>Forecast announced this time (B)</b>	<b>15,225</b>	<b>862</b>	<b>720</b>	<b>5.70</b>
Increased/decreased amount (B-A)	△1,151	△856	△484	—
Increase/decrease rate(%)	△7.0	△49.8	△40.2	—
Results in previous year (Full FY Sep. 2017)	14,702	2,325	2,211	17.38

< Note > Non-GAAP operating profit refers to the profit indicator used to assess ordinary business conditions after adjustments are made to IFRS-based operating profit pertaining to temporary factors such as the impairment losses, and gains or losses on the sales of fixed assets.

### 2. Reasons for the Revision

In the business results for the nine months of the fiscal year ending September 30, 2018 announced today, revenues from the mainstay Internet Marketing Business and Media Content Business in the third quarter both increased year on year. However, in comparison with the increase in expenses for creative production and human resource investment etc. aimed at strengthening competitiveness, the volume of transactions in the Internet Marketing Business remained weak in Japan, especially.

In this situation, the progress in earnings during the nine months of the current fiscal year has proved to be disappointing in consideration of the full-year earnings estimates for this fiscal year disclosed in the announcement of the business results for the six months of this fiscal year. The Company therefore has decided to revise the full-year consolidated earnings estimates for this fiscal year.

The Company views this fiscal year as an important phase for the Group to stay on a sustainable and strong growth path, and is in the process of making advance investments to strengthen its management base. The personnel system reform program launched in the beginning of this fiscal year is part of such investments. The effort reflects that SEPTENI HOLDINGS, a company that considers its human resources to be its greatest assets and the source of its competitive advantage, aims to raise the possibility of sustainable growth by strengthening competitiveness on a medium- to long-term basis. Given these investments, there were year-on-year increases in personnel expenses, expenses for the expansion of floor space in the head office to accommodate an increase in the workforce, and expenses associated with the improvement of remote work, among other costs, resulting in a rise in selling, general and administrative expenses.

On the other hand, the Company could begin to see the results about an improvement of organizational capacity that development of human resources etc. It will therefore continue to strengthen its management base and, by doing so, aims to achieve V-shape recovery by re-growth of transactions and cost-control in the next fiscal year.

Year-end dividend estimates remain unchanged from the previously announced estimates.

< Note > The estimates cited above are based on the best information available at the time of their creation, and actual results may differ due to various unforeseen factors.

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