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For Immediate Release

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Notice of Revisions to Business Performance Forecasts

TSUGAMI CORPORATION announces that it has revised the consolidated business performance forecasts for fiscal 2016 announced on May 12, 2016, in light of its recent business performance. Details are as follows:

1. Revision of Forecast for the FY2016 (April 1, 2016 to March 31, 2017)

(Millions of yen)

	Sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share (yen)
Previous Forecast (A) (announced on May 12, 2016)	43,000	3,500	3,200	2,300	35.37
Revised Forecast (B)	40,000	3,450	3,000	2,200	34.88
Change (B-A)	-3,000	-50	-200	-100	--
Change Ratio (%)	-7.0	-1.4	-6.3	-4.3	--
Results for the Previous Fiscal Year (the year ended March 31, 2016)	40,132	2,125	1,095	877	13.04

2. Reasons for Revision

The operating results for the first half of the fiscal year ending March 31, 2017 were almost as initially forecast in both the domestic and overseas markets, except for net sales being below the initial forecast due to the impact of foreign exchange. In terms of income, operating income was almost as initially forecast, but ordinary income and net income attributable to owners of parent fell below the initial forecast due to the impact of foreign exchange.

As for the business performance forecasts for the fiscal year ending March 31, 2017, uncertainty about the future of the economy in both the domestic and overseas markets is expected to cause a decrease in net sales below the initial forecasts. In terms of income, the degree of its decline is expected to be moderate, slightly below the initial forecasts, thanks to the effect of the improvement of the cost rate, among other factors.

Regarding the capital gains disclosed in the "Notice of Transfer of Non-current Assets" dated September 29, 2016, the costs for the investigation of soil contamination, etc. upon disposal cannot be reasonably estimated at the present time, and are therefore not included in the forecast figures described above. When a reasonable estimate of these costs becomes possible, a prompt announcement will be made if revision is necessary.

* The above forecasts were made based on information available at the time of the announcement. Actual performance may differ materially from forecasts due to factors that may arise in the future.