



Company name: Name of representative:

 DIGITAL HEARTS HOLDINGS Co., Ltd.
President and CEO Genichi Tamatsuka (Code number: 3676, First Section of the Tokyo Stock Exchange)
Director and CFO Toshiya Tsukushi (TEL. +81-3-3373-0081)

Notice Regarding Revision of Financial Forecast for the Fiscal Year Ending March 31, 2019

Contact:

DIGITAL HEARTS HOLDINGS Co., Ltd. (hereinafter referred to as the "Company") announces that a meeting of its board of directors held today resolved that, given the trends of its recent business performance, the Company has revised its financial forecast for the fiscal year ending March 31, 2019 which was announced on May 11, 2018. The details are as follows:

1. Revision of consolidated financial forecast for the fiscal year ending March 31, 2019

| | Net sales | Operating income | Ordinary income | Profit attributable to owners of parent | Net income per share |
|---|-------------|------------------|-----------------|---|----------------------|
| | Million yen | Million yen | Million yen | Million yen | yen |
| Previous forecast (A) | 21,000 | 2,200 | 2,224 | 1,533 | 70.34 |
| Revised forecast (B) | 19,300 | 1,600 | 1,650 | 1,533 | 70.34 |
| Change (B – A) | -1,700 | -600 | -574 | 0 | |
| % Change | -8.1 | -27.3 | -25.8 | 0.0 | |
| Actual amount for the previous fiscal year (fiscal year ended March 31, 2018) | 17,353 | 1,735 | 1,782 | 1,200 | 55.14 |

(from April 1, 2018 to March 31, 2019)

2. Reason for revision

In the "Second Startup Period" with new management team, the company has positioned the fiscal year ending March 31, 2019 as a year to firmly establish its business foundation. To this end, it has invested in hiring and training employees with an aim to strengthening specialized resources and acquiring cutting-edge technology and it also aggressively pursued M&A and alliances. Under these circumstances, the Company made this revision in light of changes in the current business environment and the latest progress of investments to structurally fortify its new businesses. While the company still expects to post a year on year sales growth, it has revised down forecasts for the fiscal year's sales, operating profit, and recurring profit from the initial projections.

The Company has not changed its forecast for profit attributable to owners of parent as it plans to book an extraordinary gain of 703 million yen from a sale of shares as it is announced today by "Notice Regarding Sales of Shares Owned and Resulting Extraordinary Gain".