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Press Release

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Announcement on Revision of Numerical Goals for Medium Term Management Plans

This is to announce that today at the director's meeting, Laox has revised the numerical goals for the 3rd Medium Term Management Plans, which was officially announced on February 14, 2018. The details of the measures, among others, by segment will be officially announced as soon as they are decided.

1. Numerical Goals

Unit: 100M

	Before Revision		After Revision	
	2019	2020	2019	2020
Revenue	1,200	1,600	1,500	1,800
Operating Profits	25	55	20	40
Operating Profit Rates	2.1%	3.4%	1.3%	2.2%

2. Reasons for Revision

The revenue is anticipated to increase with the acquisition of shares of Shaddy Co., Ltd. on April 27, 2018 and the contributions from the trade and cross border electronic commerce (EC), which is expected to grow in the next period. On the other hand, the operating profits are improving as the structural reforms for the existing businesses are almost complete, however, because the investment to new businesses such as the entertainment business, where we have strengthened our measures from this period, and the structural reforms of Shaddy Co., Ltd. have only begun, we are taking a conservative build-up approach by lowering the target profit rates.

(Note) Statements on the above numerical goals, among others, are based on information that are available as of the announcement date. The actual achievements and results may differ from the numerical goals or forecast.

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