

October 23, 2017

Listed company name: Penta-Ocean Construction Co., Ltd.  
Code number: 1893  
Stock exchange: Tokyo, Nagoya

**Notice of Revision to the Earnings Forecasts**  
**for the First Half of the Fiscal Year Ending March 31, 2018**

Based on the recent operating performance, the Penta-Ocean Group hereby notifies the revision to the financial forecasts for the first half of the fiscal year ending March 31, 2018, which were notified on May 10, 2017.

1. Revision to the earnings forecasts for the first half of the fiscal year ending March 31, 2018 (April 1, 2017 to September 30, 2017)

○Consolidated

(Millions of yen, %)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Earnings per share
Previous forecasts (A)	257,200	11,300	10,900	7,300	25.53 yen
Revised forecasts (B)	250,700	13,400	13,600	9,800	34.29 yen
Amount change (B - A)	(6,500)	2,100	2,700	2,500	
Percentage change (%)	(2.5)	18.6	24.8	34.2	
(Reference) Results in previous fiscal year (first six months of the fiscal year ended March 31, 2017)	241,194	11,670	10,632	6,769	23.68 yen

○Non-consolidated

(Millions of yen, %)

	Net sales	Operating income	Ordinary income	Net income	Earnings per share
Previous forecasts (A)	243,200	10,000	9,600	6,400	22.39 yen
Revised forecasts (B)	236,800	12,300	12,600	9,100	31.84 yen
Amount change (B - A)	(6,400)	2,300	3,000	2,700	
Percentage change (%)	(2.6)	23.0	31.3	42.2	
(Reference) Results in previous fiscal year (first six months of the fiscal year ended March 31, 2017)	227,848	10,596	9,551	5,933	20.75 yen

## 2. Reasons for revision to the earnings forecasts

### (1) Non-consolidated earnings forecasts

Net sales are estimated at 6.4 billion yen lower than the previous forecasts. However, operating income is estimated at 2.3 billion yen higher than the previous forecasts, due to the recovery of the earnings of domestic civil engineering and domestic building construction projects. Also, ordinary income is estimated at 3.0 billion yen, and net income at 2.7 billion yen higher than the previous forecasts respectively, mainly attributable to the improvement in non-operating income, such as gains in foreign exchange due to the weaker yen.

### (2) Consolidated earnings forecasts

Consolidated earnings forecasts have been amended primarily according to the revised non-consolidated earnings forecasts.

The earnings forecasts for the full year ending March 31, 2018 will be announced immediately, should the need arise to disclose the revised forecasts.

Note: The above forecasts have been prepared based on the information available at the time of this notice. Actual results may vary from the forecasts due to various factors.

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