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## Announcement Regarding Revision to Interim and Full-year Consolidated Performance Forecast

POLA ORBIS HOLDINGS INC. (the “Company”) hereby notifies that interim profit attributable to owners of parent for the fiscal year ending December 31, 2017 is expected to exceed the previous forecast by more than 30%, and therefore, has revised its interim consolidated performance forecast which was announced on May 1, 2017. In addition, the Company has revised its full-year consolidated performance forecast, which was also announced on May 1, 2017, to reflect the recent business performance trend of the Company.

The revisions are as follows:

- Revision to interim consolidated performance forecast for fiscal 2017 (January 1, 2017–June 30, 2017)

*Millions of yen (except per share data and percent)*

	Net sales	Operating income	Ordinary income	Profit Attributable to Owners of Parent	Net income per share (yen)
Previous forecast (A)	115,000	17,000	17,000	10,500	47.47
Revised forecast (B)	117,300	20,900	20,900	13,900	62.85
Amount changes (B – A)	2,300	3,900	3,900	3,400	
Percent changes (%)	2.0	22.9	22.9	32.4	
(Reference) Actual interim results of FY2016	106,957	12,150	11,258	8,264	37.37(*1)

\*1 The Company has conducted a four for one stock split effective on April 1, 2017. Net income per share for the first half of the previous fiscal year was calculated assuming that the stock split was conducted. Actual net income per share for the first half of the previous fiscal year on a pre-split basis was 149.48 yen.

2. Revision to full-year consolidated performance forecast for fiscal 2017 (January 1, 2017–December 31, 2017)

*Millions of yen (except per share data and percent)*

	Net sales	Operating income	Ordinary income	Profit Attributable to Owners of Parent	Net income per share (yen)
Previous forecast (A)	233,000	33,500	33,500	21,500	97.21
Revised forecast (B)	236,000	36,500	36,500	23,800	107.61
Amount changes (B – A)	3,000	3,000	3,000	2,300	
Percent changes (%)	1.3	9.0	9.0	10.7	
(Reference) Actual full-year results of FY2016	218,482	26,909	27,191	17,447	78.89 <sup>(*2)</sup>

\*2 Net income per share for the previous fiscal year was calculated assuming that the stock split was conducted. Actual net income per share for the previous fiscal year on a pre-split basis was 315.57 yen.

3. Main reasons for revision

Net sales are expected to exceed the previous forecast, due to continuing sales by inbound tourist, favorable performance of the brands under development and POLA brand, which has stronger-than-expected sales driven by the successful launch of new products since the first quarter.

Operating income, ordinary income, and profit attributable to owners of parent are also expected to exceed the previous forecasts and to report the record high, due to an increase in gross profit associated with sales increase, improvement in cost of sales ratio driven by the increased sales ratio of high-prestige products, and SG&A (selling, general and administrative) expenses such as marketing costs being maintained at the same level as the previous year.

The full-year consolidated performance forecast is revised to reflect the Company's current business performance, latest forecasts and additional strategic investment plan at each subsidiary.

Note: Forecasts are based on information available as of the publication of this news release. Actual performance may differ from these forecasts, owing to changes in various factors.