

Notice of Impairment Losses on Non-current Assets and Revisions to Earnings Forecasts

Yamazen Corporation (the “Company”) hereby announces that it intends to record impairment losses on non-current assets as extraordinary losses for the fiscal year ended March 31, 2015. As a result, the Company has revised its consolidated earnings forecasts, announced November 10, 2014, and its non-consolidated earnings forecasts, announced May 8, 2014, as shown below.

1. Recording of impairment losses on non-current assets

(1) Reasons for impairment losses

At a meeting of the Board of Directors on April 14, 2015, the Company passed a resolution to sell two warehouses currently conducted logistic operations and relocate these warehouses, from the viewpoint of improving the efficiency of logistics sites under a project aimed at optimizing the Group’s logistics system. As a result, in accordance with the “Accounting Standard for Impairment of Fixed Assets,” the Company will record impairment losses related to the sale of the two warehouses for the fiscal year ended March 31, 2015. Details about the buyer of the warehouses and selling prices will be provided as soon as they are determined.

(2) Overview of disposed assets

Details and locations of assets	Current status
[Logis Nishi-Nippon] 1781-3, Aza konjinzuka , Sanagucho, Iga-city, Mie-prefecture and other locations Land: 27,793.50 m ² Buildings: 12,625.38 m ² (Gross floor area)	Warehouse
[Logis Tokyo] 2-6-9, Oroshicho, Minuma-ku, Saitama-city, Saitama-prefecture Buildings: 6,692.76 m ² (Gross floor area)	Warehouse

(3) Details of impairment losses

The Company intends to book impairment losses of 2,582 million as extraordinary losses for the fiscal year ended March 31, 2015.

2. Revisions to the full-year earnings forecasts

The Company has revised its full-year consolidated earnings forecasts for the fiscal year ended March 31, 2015 as follows, to reflect the above-mentioned impairment losses.

Also, the Company has revised its full-year non-consolidated earnings forecasts for the fiscal year ended March 31, 2015 as follows, to reflect an increase in ordinary income over the previous estimate due to dividends received from consolidated subsidiaries (eliminated in consolidated accounts).

The Company has not revised its latest dividend forecast (year-end dividend of ¥12.00 per share), as sales and ordinary income are steady.

(Unit: Millions of yen)

Revision to consolidated earnings forecasts for the fiscal year ended March 31, 2015

(April 1, 2014 to March 31, 2015)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	420,000	11,300	11,500	7,200	76.76 yen
Revised forecast (B)	435,000	13,000	13,200	5,800	61.84 yen
Change (B – A)	15,000	1,700	1,700	-1,400	

Rate of change (%)	3.6	15.0	14.8	-19.4	
(Reference) Results for the previous fiscal year (April 1, 2013 to March 31, 2014)	395,249	9,562	9,838	5,515	58.80 yen

Revision to non-consolidated earnings forecasts for the fiscal year ended March 31, 2015
(April 1, 2014 to March 31, 2015)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	372,000	8,800	9,000	5,500	58.64 yen
Revised forecast (B)	390,000	9,500	11,600	5,700	60.77 yen
Change (B – A)	18,000	700	2,600	200	
Rate of change (%)	4.8	8.0	28.9	3.6	
(Reference) Results for the previous fiscal year (April 1, 2013 to March 31, 2014)	359,149	7,449	7,577	4,046	43.14 yen

(Note) The above forecasts are based on information currently available as of the date of announcement of this material. Actual results may differ from these forecasts due to various factors in the future.

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