

July 9, 2015

Notice of Revisions to Forecasts of Results

Broadleaf Corporation (“the Company”) has revised its forecast of financial results for the First Half Ended June 30, 2015 and the Year Ending December 31, 2015, as follows ;

1 . Revised Financial Forecast for the First Half Ended June 30, 2015 (From January 1, 2015 to June 30, 2015)

	Net Sales (Million yen)	Operating Income (Million yen)	Ordinary Income (Million yen)	Net Income (Million yen)	Earnings Per Share (Yen)
Previous Forecast (A)	9,200	1,900	1,870	1,020	40.63
Revised Forecast (B)	8,325	905	895	404	16.09
Difference (B)-(A)	-875	-995	-975	-616	-
Change (%)	-9.5	-52.4	-52.1	-60.4	-
(Ref.)Results of First Half Ended June 30, 2014	9,083	1,850	1,827	943	36.16

2 . Revised Financial Forecast for the Year Ending December 31, 2015 (From January 1, 2015 to December 31, 2015)

	Net Sales (Million yen)	Operating Income (Million yen)	Ordinary Income (Million yen)	Net Income (Million yen)	Earnings Per Share(Yen)
Previous Forecast (A)	19,600	4,600	4,550	2,530	101.12
Revised Forecast (B)	17,700	2,500	2,450	1,200	47.95
Difference (B)-(A)	-1,900	-2,100	-2,100	-1,330	-
Change (%)	-9.7	-45.7	-46.2	-52.6	-
(Ref.)Results of Year ended December 31, 2014	18,894	4,165	4,098	2,193	84.03

3 . Background of Revision

During the first twenty-six week period ended June 30, 2015, we experienced an unusual delay in launching a new line of products into the market and improving some of our existing products, related to some unexpected failure, technical problems and materialized risks in system development. As a result of this and some other factors, our performance in the field of Business Application Software Sales is expected to fall short of our initial plan for the first half ending June 30, 2015.

The sales for the first half period will be accordingly lower than our forecast at the time of the previous announcement (at February 12, 2015). Operating and ordinary income will also fall below the forecast even after having adjusted controllable expenses for the Company. In the end, net income during the first half ended June 30, 2015 will fall short of the previous forecast.

The sales for the latter twenty-six week period ending December 31, 2015 is consecutively likely to be decreased as well since it is estimated to take considerable times to resolve above mentioned multiple issues that have been revealed during the first half period. At the same time, the Company has the strong intent to reinforce investments and commitments to strengthen the makespan of new and existing product developments. Based on these two reasons—1. The likelihood of decrease in sales, 2. The strategic decisions—, we revise down our financial result forecast for the full year ending December 31, 2015.

※Above described estimates are evaluated on an ongoing basis, and our judgements are drawn from former experiences and other assumptions that we believe to be reasonable under the circumstances. Actual results could differ under different assumptions or conditions, since our business is impacted by various factors within the economy.