

Revision of Earnings Forecast for the Fiscal Year Ending March 31, 2015

SANIX Incorporated (Ticker:4651,TSE/FSE, President & CEO: Shin-ichi Munemasa) announces that in light of recent performance trends, it has revised the consolidated earnings forecast for the fiscal year ending March 31,2015, which were announced August 5,2014.

Revision of consolidated forecast for the 1st half of the fiscal year ending March 31, 2015(From April 1 to September 30, 2014)

(Millions of Yen)	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (YEN)
Previous Forecast (A)	51,200	(1,250)	(1,140)	(1,490)	(31.21)
Revised Forecast (B)	43,400	(3,230)	(3,400)	(3,730)	(78.13)
Change (B-A)	(7,800)	(1,980)	(2,260)	(2,240)	
Precet Change (%)	-15.2%	-	-	-	
Reference: results for the 1st half of the fiscal year ended March 31,2014	31,692	1,495	1,443	1,051	22.05

Revision of consolidated forecast for the full fiscal year ending March 31, 2015(From April 1, 2014 to March 31, 2015)

(Millions of Yen)	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (YEN)
Previous Forecast (A)	161,500	14,000	13,800	8,830	184.73
Revised Forecast (B)	118,000	3,640	3,200	1,300	27.23
Change (B-A)	(43,500)	(10,360)	(10,600)	(7,530)	
Precet Change (%)	-26.9%	-74.0%	-76.8%	-85.3%	
Reference: results for the 1st half of the fiscal year ended March 31,2014	84,221	4,508	4,309	2,964	62.13

Reasons for the Revision

Regarding the earnings forecast for the first half of the fiscal year, the number of projects for a portion of solar power facilities installations was fewer than expected due to electric power companies taking longer than expected to perform their investigation for connections compared with the time of the previous announcement (August 5, 2014). In addition, as per separately announced today, the Company was impacted due to the inability to engage in construction projects, with some exceptions, in the Kyushu district due to Kyushu Electric Power's decision to suspend its response to applications.

Given such circumstances, the Company has revised its projected net sales as shown above.

With respect to income, operating income, ordinary income and net income are all expected to be lower than the previous forecast mainly reflecting the fact that net sales will underperform the previous forecast.

Regarding the announcement of the operating results forecast for the full fiscal year ending in March 2015, Sanix has determined that it would not be able to post sales of new projects it had expected to receive and install in the second half of the fiscal year before the end of the term due to the decision among utility companies to suspend their response this time around and the inability to foresee when these responses to new applications would resume for Kyushu and Shikoku regions, even though the Company is implementing a range of initiatives to reinforce its sales as per disclosed separately today. In addition, the Company has determined that with some exceptions, intentional low-voltage division on the same business premises (see note), which were incorporated in the initial forecast, will not be posted as sales before the end of the current fiscal year.

Given these circumstances, net sales have been revised for the full fiscal year as shown above.

As for income, the Company forecasts a recovery in earnings on the expected increase in net sales and cost-cutting measures in the second half of the fiscal year. However, operating income, ordinary income and net income are all expected to be lower than the previous forecast due to net sales ending lower than the previous forecast.

In addition, please refer to “Sanix’s Response and Impact from the Suspension of Connection Application Replies for Renewable Energy-based Power Generating Facilities” disclosed today.

(Note) One business premises is divided into small-scale facilities (facilities that are below 50kW that have low-voltage interconnectivity) to create multiple connections

The projections and plans on this release are subject to change depending upon the changes of business environments and other conditions.

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