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Press Release

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Notice on Recording Non-operating Income and Extraordinary Profit and Revision of Full-Year Earnings Forecast

Broadmedia Corporation (hereinafter, “the Company”) plans to post non-operating income and extraordinary profit in the settlement of consolidated financial results for the first half of the fiscal year ending March 31, 2020.

The Company also announces the following revision made to the full-year forecasts announced on May 10, 2019 due to the non-operating income and extraordinary profit.

1. Contents and amount of non-operating income

The Company has received the payment of insurance benefits from an insurance company for part of the expenses incurred due to the damage from the fictitious transactions suffered by Fishing Vision Co., Ltd. (hereinafter, “Fishing Vision”), a consolidated subsidiary of the Company. As a result, the Company plans to post insurance claim income of 50 million yen as non-operating income in the first half of the fiscal year ending March 31, 2020.

2. Contents and amount of extraordinary profit

Settlement was reached in one of the lawsuits filed by Fishing Vision in the Tokyo District Court in connection with the fictitious transactions.

An advertising agency, which is the defendant in the settled suit, has agreed to pay Fishing Vision the sum of 130 million yen for the settlement. Consequently, the Company will post the balance after subtracting litigation expenses and other payments from the settlement money as extraordinary profit in the first half of the fiscal year ending March 31, 2020.

The details of the settlement will not be disclosed due to a confidentiality clause that is included in the terms of settlement.

3. Revision to the consolidated financial forecasts for the fiscal year ending March 31, 2020
(April 1, 2019 to March 31, 2020)

	Revenue	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previously forecast (A)	12,000	350	360	180	2.31
Revised forecast (B)	12,000	350	410	270	3.46
Difference (B－A)	—	—	50	90	
Increase/Decrease (%)	—	—	13.9%	50.0%	
(For reference) Financial results for the previous year (the FY ended March 31, 2019)	11,123	167	203	167	2.15

4. Reason for the revision

In the settlement of the consolidated financial results for the fiscal year ending March 31, 2020, ordinary income and net income attributable to owners of parent are expected to exceed the previous forecasts due to the addition of items 1 and 2 above.

The Company is currently examining the trends and other factors during the first half of the fiscal year in view of the revision of the forecasts for the full-year results and will make a prompt announcement if a revision is deemed necessary.

End

For inquiries regarding this press release:

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