



March 10, 2016

Company name: **C. Uyemura & Co., Ltd.**
Stock code: 4966 Listing: Second Section of the Tokyo Stock Exchange
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**Announcement on Recognition of Loss on Valuation of Stocks of Subsidiaries and Affiliates
(non-consolidated), Revision of Full-year Forecast, and Revision of Dividend Estimate**

C. Uyemura & Co., Ltd. announces that it expects to recognize a loss on the valuation of stocks of subsidiaries and affiliates as a special loss for the fiscal year ending March 2016 (from April 1, 2015 to March 31, 2016).

Simultaneously, in consideration of the recent trend in business performance, the Company has made some revisions to the consolidated earnings forecast for the fiscal year ending March 2016, announced on May 15, 2015, and changed the dividend estimate that was publicized on that day.

1. Recognition of a loss on valuation of stocks of subsidiaries and affiliates (non-consolidated basis) and the contents thereof

Although we have made a group-wide effort to put PT. Uyemura Indonesia, a consolidated subsidiary based in Indonesia, on the right track, we expect to recognize a loss of 940 million yen on the valuation of its stocks, pursuant to the "Accounting Standard for Financial Instruments," as the subsidiary's net asset value considerably fell due to declining demand in the Indonesian market and the further depreciation of the local currency in recent months.

Notably, as this loss is being offset at the consolidation level, no impact of the loss is expected on the consolidated financial results.

2. Revision of Full-year Forecasts for the Fiscal Year ending March 31, 2016

(1) Forecast full-year financial results (the period April 1, 2015 to March 31, 2016)

Unit: Millions of yen except earnings per share

| | Net Sales | Operating income | Ordinary income | Income for the period attributable to owners of the parent | Earnings per share |
|--|-----------|------------------|-----------------|--|--------------------|
| Previous forecast | 54,640 | 7,840 | 8,020 | 4,980 | ¥547.02 |
| Revised full-year forecast | 46,350 | 6,860 | 6,880 | 4,710 | ¥517.36 |
| Change | (8,290) | (980) | (1,140) | (270) | — |
| Change in percent | (15.2) | (12.5) | (14.2) | (5.4) | — |
| For reference: Results for year ended March 31, 2015 | 46,254 | 6,460 | 6,944 | 3,789 | ¥416.28 |

(2) Reasons for the revision

Both net sales and net income are projected to undershoot the initial plan, primarily due to a slowdown in the emerging economies, including China, and production adjustments by makers of electronic components. Sales of low-margin nonferrous metals and industrial chemicals dropped considerably, compared to profits, because their unit selling prices were pushed down by the decline in the market prices of nickel, copper, and other metals. Consequently, the financial performance is expected to fail to meet the previous forecast, prompting us to revise the consolidated full-year earnings forecast.

3. Revision of dividend estimate

(1) Reasons for revising the dividend estimate

The Company intends to provide the shareholders with stable and sustainable dividends, while considering the business performance, management indicators, and other factors. Based on this policy and taking into account the earnings forecast for the fiscal year ending March 2016 and other conditions, we have decided to revise the dividend per share estimate for the fiscal year ending March 2016 from the previously estimated 100 yen to 120 yen per share, thus marking an increase of 20 yen.

(2) Details of the revision

Unit: Yen

| | Annual dividend per share | | |
|--|---------------------------|-------------------|--------|
| | Interim dividend | Year-end dividend | Total |
| Previous forecast (Announced on May 15, 2015) | 0.00 | 100.00 | 100.00 |
| Revised forecast | | 120.00 | 120.00 |
| Dividend paid for the current fiscal year ending March 31, 2016 | 0.00 | | |
| Dividend paid for the previous fiscal year ended March 31, 2015 | 0.00 | 100.00 | 100.00 |

Note:

The above forecasts have been formulated based on information available as of the date of this announcement. Due to various factors, actual results could differ materially from those described in these forward-looking statements.

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