NEXT Co., Ltd.

November 13, 2014

To whom it may concern,

Listed company	NEXT Co., Ltd.
Representative	Takashi Inoue, President and CEO (Securities code 2120; 1st Section of the Tokyo Stock Exchange)
Contact	Managing Officer and General Manager of Administration Daigo Minaguchi (TEL: 03-5783-3603)

Notice Regarding Full-year Performance Forecast

The board of directors of NEXT Co., Ltd. ("NEXT") approved a resolution today to revise the full-year performance forecast for the current fiscal year (from April 1, 2014 to March 31, 2015) that we announced on May 13, 2014. This revision takes into consideration the latest trends in NEXT's operating results and the effects associated with NEXT's acquisition of stock and consolidation as a subsidiary of Trovit Search,S.L. ("Trovit") scheduled for late November 2014. The details are described below.

For details of the acquisition of Trovit stock, please refer to the "Notice of the Acquisition of Stock (Consolidation as a Subsidiary) of Trovit Search S.L., One of the World's Largest Property Aggregators" issued on October 7, 2014 and the supplementary material to that notification.

See the notice (issued as per the TSE timely disclosure rules) at
<http://www.next-group.jp/ir/news/pdf/141007_topic.pdf>.
See the supplement at
<http://www.next-group.jp/ir/news/pdf/Trovit_20141009.pdf>.

* * *

1. Revised Full-year Performance Forecast for the Fiscal Year Ending March 31, 2015

Consolidated financial results (from April 1, 2014 to March 31, 2015)

	Sales	Operating Profit	Current Profit	Net Profit	Net Profit per Share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous projection (A)	17,240	2,328	2,322	1,386	24.58
Updated projection (B)	17,895	2,162	2,156	1,116	19.78
Value increase/decrease (B-A)	＋654	△166	△166	△270	—
Percentage increase/decrease (%)	＋3.8	△7.1	△7.2	△19.5	—
Corresponding result from the previous year (for reference)	14,690	2,299	2,302	1,336	23.71

2. Primary Factors behind the Revised Performance Forecast

[Sales]

Segmental consolidated sales for the current fiscal year are projected as follows.

Sales by Segment	Real Estate Information Services	Other Businesses	Total
	Million yen	Million yen	Million yen
Previous projection (A)	16,811	429	17,240
Updated projection (B)	17,690	204	17,895
Value increase/decrease (B-A)	＋878	▲224	＋654
Percentage increase/decrease (%)	＋5.2	▲52.4	＋3.8
Corresponding result from the previous year (for reference)	14,554	135	14,690

Trovit's consolidation as a subsidiary is expected to contribute additional sales of ¥943 million. Meanwhile, there will likely be less sales than initially projected in the HOME'S Moving Estimates service and the "HOME'S Style Market" home furniture/interior e-commerce site operation, which was launched in April 2014.

Given these trends, overall full-year sales for the current fiscal year are now projected to be ¥17,895 million (¥654 million or 3.8% higher than previously projected).

[Profits]

The revision in home furniture/interior e-commerce sales causes the cost of sales to be revised to ¥560 million (¥177 million or 24.1% below the previous projection). Selling, general & administrative expenses are also revised to ¥15,173 million (¥998 million or 7.0% above the previous projection). This revision reflects, among other factors, an additional cost arising from Trovit's consolidation as a subsidiary and a goodwill amortization expense of ¥534 million associated with the acquisition of Trovit stock. Given the increase in sales and the changes in cost, operating profit and current profit are now projected to be ¥2,162 million (¥166 million or 7.1% less than previously projected) and ¥2,156 million (¥166 million or 7.2% less than previously projected), respectively. Net profit is now projected at ¥1,116 million (¥270 million or 19.5% less than previously projected).

As noted in the Notice of the "Acquisition of Stock (Consolidation as a Subsidiary) of Trovit Search S.L., One of the World's Largest Property Aggregators" issued on October 7, 2014, with a view to developing business operations worldwide, we intend to start applying the International Financial Reporting Standards in the next fiscal year (which ends March 31, 2016). In accordance with the IFRS, there may be no amortization of goodwill in the upcoming fiscal years.

3. Dividend Forecast

With regard to shareholder dividends, NEXT has a basic policy to distribute profits that flexibly and responsively reflect performance trends from year to year. Medium- and long-term business planning is also given consideration. As for the current fiscal year, we intend to pay out 20 percent of consolidated net profit as we did in the previous year.

The current fiscal year is transitional as IFRS are scheduled to be implemented in the next fiscal year. Once IFRS are in place, goodwill may no longer be amortized. Especially because of this, we intend to calculate the dividend for the current fiscal year, based on net profit adjusted for the effects of (1) Trovit's financial results and (2) goodwill amortization expense associated with the acquisition of Trovit stock.

In accordance with the above procedure, since our current projection of net profit (before the effects of (1) and (2)) is the same as it was initially announced, our dividend forecast remains intact.

Should there be a change in net profit before the effects of (1) and (2) in the coming months, however, we will review the projected dividend per share, which is intended to represent a payout ratio of approximately 20 percent. The outcome shall be subject to immediate disclosure.

(Note) Important issue regarding performance forecast:

Any forecast given in this document is based on currently available information and assumptions of uncertain factors that may affect future performance. Actual results may differ from projections due to a range of circumstances that may occur in the future.