



June 28, 2017

To Whom It May Concern

Company Name: Milbon Co., Ltd.
Title of Representative: Ryuji Sato, President and CEO
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Relocation of Head Office and Revision of Operating Forecasts under the Medium-term Management Plan

Milbon Co., Ltd. (hereinafter referred to as “the Company”) hereby announces that the Company, at the meeting of the Board of Directors held on June 28, 2017, resolved as follows on the relocation of its head office to Tokyo, and the revision of its operating forecasts under the Medium-term Management Plan.

1. Reason for the relocation

<Background>

The Company, in an effort to strengthen research and development capabilities, is currently focused on reinforcing its human resources in the Development Division centered around the Central Research Institute. In order to achieve this objective, it became necessary to secure sufficient space for research work by relocating the head office function attached to the Central Research Institute. Thus, the Company has been in the process of selecting the relocation destination for the head office function.

<Purpose of the relocation to Tokyo>

The reasons for selecting Tokyo as the relocation destination are as follows.

1. To enhance brand image in promoting our cosmetic products business
2. To accelerate global business development
3. To secure diversified talent necessary for the aforementioned
4. To strengthen relationships with partner companies, a vital prerequisite for developing into new business fields

2. Relocation destination

Kyobashi Edogrand, 2-2-1 Kyobashi, Chuo-ku, Tokyo

3. Scheduled relocation date

November 2017 (to be finalized)

4. Impact on business results

While this relocation is believed to have minimal impact on the business results of the fiscal year ending December 31, 2017, the Company will, as stated below, make investments ahead of their original schedule, for materializing the growth strategies under the next Medium-term Management Plan, and thus revise part of the operating forecasts under the current Medium-term Management Plan.

5. Revision of operating forecasts under the Medium-term Management Plan

<Details of the revision>

With respect to the operating forecasts for the fiscal year 2019, the final year of the Medium-term Management Plan, the Company revises operating income and profit attributable to owners of parent as follows, while net sales shall remain unrevised.

(Unit: million yen)

	Medium-term Management Plan (FY2019 targets) Before the revision		Medium-term Management Plan (FY2019 targets) After the revision		Changes
	Amount	Composition ratio (%)	Amount	Composition ratio (%)	
Net sales	35,000	100.0	35,000	100.0	0
Domestic	28,500	81.4	28,500	81.4	0
Overseas	6,500	18.6	6,500	18.6	0
Operating income	7,000	20.0	6,000	17.1	(1,000)
Profit attributable to owners of parent	4,130	11.8	3,850	11.0	(280)

<Reason for the revision>

The revision is for implementing within the current Medium-term Management Plan the following investments originally scheduled under the next Medium-term Management Plan, in an effort to accelerate medium- to long-term growth strategies in the future.

1. Reinforcement of human resources and their training for promoting the cosmetic products business
2. Acceleration of corporate branding
3. Global business development into areas including Europe
4. Relocation of head office to Tokyo