

(Translation)

September 8, 2017

Dear Sirs:

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**Announcement of Submission of First Quarter Report for Fiscal Year Ending March 2018,
Submission of Corrected Securities Reports, Etc. for Prior Years and
Corrections to Summary of Consolidated Financial Results for Prior Years**

As was explained in the August 14, 2017 press release titled “Announcement of Approval of Application for Extension of Deadline for Submitting of First Quarter Report for Fiscal Year Ending March 2018,” Shobunsha Publications, Inc. received approval to extend the deadline for submitting this first quarter report to September 13, 2017. Shobunsha is now announcing that this first quarter report was submitted today.

There were Shobunsha press releases titled “Announcement of Discovery of Errors in Prior Year Consolidated Financial Statements, Etc. and Extension of Announcement of First Quarter Results for Fiscal Year Ending March 2018” on August 9, 2017 and “Announcement of Submission of Application for Approval of Extension of Deadline for Submitting First Quarter Report for Fiscal Year Ending March 2018” on August 10, 2017. As was explained in these releases, corrections were required in the prior-year Securities Reports and quarterly reports. Shobunsha has submitted corrected reports and made corrections to the summary of consolidated financial results for the fiscal periods listed below.

1. List of Corrected Reports and Corrected Summary of Consolidated Financial Results Submitted Today

(1) Corrected Reports

Corrected Securities Report Fiscal Year Ended March 31, 2015 (April 1, 2014 to March 31, 2015)

Corrected Quarterly Report First Quarter of Fiscal Year Ending March 31, 2016
(April 1, 2015 to June 30, 2015)

Corrected Quarterly Report Second Quarter of Fiscal Year Ending March 31, 2016
(July 1, 2015 to September 30, 2015)

Corrected Quarterly Report Third Quarter of Fiscal Year Ending March 31, 2016
(October 1, 2015 to December 31, 2015)

Corrected Securities Report Fiscal Year Ended March 31, 2016 (April 1, 2015 to March 31, 2016)

Corrected Quarterly Report First Quarter of Fiscal Year Ending March 31, 2017
(April 1, 2016 to June 30, 2016)

Corrected Quarterly Report Second Quarter of Fiscal Year Ending March 31, 2017
(July 1, 2016 to September 30, 2016)

Corrected Quarterly Report Third Quarter of Fiscal Year Ending March 31, 2017
(October 1, 2016 to December 31, 2016)

Corrected Securities Report Fiscal Year Ended March 31, 2017 (April 1, 2016 to March 31, 2017)

(2) Corrected Summary of Consolidated Financial Results

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2015 (FY3/15)
[Japanese GAAP]

Summary of Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2016
(Three Months Ended June 30, 2015) [Japanese GAAP]

Summary of Consolidated Financial Results for the Second Quarter of Fiscal Year Ending March 31,
2016 (Six Months Ended September 30, 2015) [Japanese GAAP]

Summary of Consolidated Financial Results for the Third Quarter of Fiscal Year Ending March 31,
2016 (Nine Months Ended December 31, 2015) [Japanese GAAP]

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2016 (FY3/16)
[Japanese GAAP]

Summary of Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2017
(Three Months Ended June 30, 2016) [Japanese GAAP]

Summary of Consolidated Financial Results for the Second Quarter of Fiscal Year Ending March 31,
2017 (Six Months Ended September 30, 2016) [Japanese GAAP]

Summary of Consolidated Financial Results for the Third Quarter of Fiscal Year Ending March 31,
2017 (Nine Months Ended December 31, 2016) [Japanese GAAP]

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2017 (FY3/17)
[Japanese GAAP]

2. Reason for corrections

In prior years, for the tax effect accounting, Shobunsha has not recognized any deferred tax assets and posted only deferred tax liabilities on its balance sheet. For tax effect accounting concerning an impairment charge for land and other assets in the fiscal year that ended on March 31, 2015, Shobunsha also did not recognize the entire future subtraction temporary difference associated with this impairment in the book value of land and other assets. As a result, no deferred tax assets were recognized. However, in conjunction with a merger, there were deferred tax liabilities on the balance sheet for some of the land included in this impairment. Although these deferred tax liabilities should have been reversed, no reversal was made.

3. Explanation of corrections

To correct this error, the deferred tax liabilities for the land subject to the asset impairment at the end of the fiscal year that ended on March 31, 2015 were eliminated. This action caused deferred income taxes to increase 460 million yen and the net loss to decrease by the same amount, which resulted in an increase in retained earnings. In addition, for the quarterly and fiscal year financial statements for the fiscal year that ended on March 31, 2016, due to changes in the tax rate for income and other taxes used for tax effect accounting, there were decreases of 0 million yen and 24 million yen in the quarterly and fiscal year deferred income taxes, respectively. This resulted in decreases of the same amounts in profit and retained earnings. (In the quarterly financial statements, the net loss increased so retained earnings decreased.) In the quarterly and fiscal year financial statements for the fiscal year that ended on March 31, 2017, there were no corrections involving earnings, but there was an increase in retained earnings that was equal to the reduction in deferred tax liabilities resulting from the prior-year correction.

For amounts of effect for each fiscal year, please refer to “(Appendix) Effect on Prior Year Results of Operations Caused by the Corrections.”

(別紙)訂正による過年度業績への影響

(単位:百万円)

期	項目	連結			個別		
		訂正前	訂正後	影響額	訂正前	訂正後	影響額
第56期 平成27年3月期	売上高	12,395	12,395	-	11,125	11,125	-
	営業利益	-934	-934	-	-1,144	-1,144	-
	経常利益	-887	-887	-	-1,110	-1,110	-
	当期純利益	-7,042	-6,582	460	-6,763	-6,303	460
	純資産	21,978	22,438	460	21,390	21,850	460
	総資産	28,328	28,328	-	27,223	27,223	-
第57期 平成28年3月期 第1四半期	売上高	3,318	3,318	-			-
	営業利益	-173	-173	-			-
	経常利益	-159	-159	-			-
	当期純利益	-178	-179	0			-
	純資産	21,521	21,980	459			-
	総資産	27,873	27,873	-			-
第57期 平成28年3月期 第2四半期	売上高	6,030	6,030	-			-
	営業利益	-449	-449	-			-
	経常利益	-426	-426	-			-
	当期純利益	-443	-444	0			-
	純資産	21,145	21,605	459			-
	総資産	26,822	26,822	-			-
第57期 平成28年3月期 第3四半期	売上高	8,596	8,596	-			-
	営業利益	-464	-464	-			-
	経常利益	-425	-425	-			-
	当期純利益	-453	-453	0			-
	純資産	21,119	21,579	459			-
	総資産	26,858	26,858	-			-
第57期 平成28年3月期	売上高	13,035	13,035	-	12,218	12,218	-
	営業利益	306	306	-	212	212	-
	経常利益	363	363	-	252	252	-
	当期純利益	538	513	-24	446	421	-24
	純資産	21,652	22,088	435	21,203	21,639	435
	総資産	28,063	28,063	-	27,234	27,234	-
第58期 平成29年3月期 第1四半期	売上高	2,297	2,297	-			-
	営業利益	-521	-521	-			-
	経常利益	-496	-496	-			-
	当期純利益	-500	-500	-			-
	純資産	20,738	21,173	435			-
	総資産	26,583	26,583	-			-
第58期 平成29年3月期 第2四半期	売上高	4,750	4,750	-			-
	営業利益	-1,000	-1,000	-			-
	経常利益	-959	-959	-			-
	当期純利益	-963	-963	-			-
	純資産	20,316	20,751	435			-
	総資産	25,580	25,580	-			-
第58期 平成29年3月期 第3四半期	売上高	7,032	7,032	-			-
	営業利益	-1,249	-1,249	-			-
	経常利益	-1,190	-1,190	-			-
	当期純利益	-1,194	-1,194	-			-
	純資産	20,292	20,727	435			-
	総資産	25,653	25,653	-			-
第58期 平成29年3月期	売上高	10,314	10,314	-	9,681	9,681	-
	営業利益	-2,276	-2,276	-	-2,051	-2,051	-
	経常利益	-2,206	-2,206	-	-1,994	-1,994	-
	当期純利益	-3,423	-3,423	-	-3,225	-3,225	-
	純資産	19,160	19,596	435	18,730	19,165	435
	総資産	24,550	24,550	-	23,669	23,669	-

(Appendix) Effect on Prior Year Results of Operations Caused by the Corrections

(Millions of yen)

Fiscal year	Item	Consolidated			Non-consolidated		
		Before corrections	After corrections	Amount of effect	Before corrections	After corrections	Amount of effect
FY3/15	Net sales	12,395	12,395	-	11,125	11,125	-
	Operating profit	(934)	(934)	-	(1,144)	(1,144)	-
	Ordinary profit	(887)	(887)	-	(1,110)	(1,110)	-
	Profit	(7,042)	(6,582)	460	(6,763)	(6,303)	460
	Net assets	21,978	22,438	460	21,390	21,850	460
	Total assets	28,328	28,328	-	27,223	27,223	-
First quarter of FY3/16	Net sales	3,318	3,318	-			-
	Operating profit	(173)	(173)	-			-
	Ordinary profit	(159)	(159)	-			-
	Profit	(178)	(179)	0			-
	Net assets	21,521	21,980	459			-
	Total assets	27,873	27,873	-			-
Second quarter of FY3/16	Net sales	6,030	6,030	-			-
	Operating profit	(449)	(449)	-			-
	Ordinary profit	(426)	(426)	-			-
	Profit	(443)	(444)	0			-
	Net assets	21,145	21,605	459			-
	Total assets	26,822	26,822	-			-
Third quarter of FY3/16	Net sales	8,596	8,596	-			-
	Operating profit	(464)	(464)	-			-
	Ordinary profit	(425)	(425)	-			-
	Profit	(453)	(453)	0			-
	Net assets	21,119	21,579	459			-
	Total assets	26,858	26,858	-			-
FY3/16	Net sales	13,035	13,035	-	12,218	12,218	-
	Operating profit	306	306	-	212	212	-
	Ordinary profit	363	363	-	252	252	-
	Profit	538	513	(24)	446	421	(24)
	Net assets	21,652	22,088	435	21,203	21,639	435
	Total assets	28,063	28,063	-	27,234	27,234	-
First quarter of FY3/17	Net sales	2,297	2,297	-			-
	Operating profit	(521)	(521)	-			-
	Ordinary profit	(496)	(496)	-			-
	Profit	(500)	(500)	-			-
	Net assets	20,738	21,173	435			-
	Total assets	26,583	26,583	-			-
Second quarter of FY3/17	Net sales	4,750	4,750	-			-
	Operating profit	(1,000)	(1,000)	-			-
	Ordinary profit	(959)	(959)	-			-
	Profit	(963)	(963)	-			-
	Net assets	20,316	20,751	435			-
	Total assets	25,580	25,580	-			-
Third quarter of FY3/17	Net sales	7,032	7,032	-			-
	Operating profit	(1,249)	(1,249)	-			-
	Ordinary profit	(1,190)	(1,190)	-			-
	Profit	(1,194)	(1,194)	-			-
	Net assets	20,292	20,727	435			-
	Total assets	25,653	25,653	-			-
FY3/17	Net sales	10,314	10,314	-	9,681	9,681	-
	Operating profit	(2,276)	(2,276)	-	(2,051)	(2,051)	-
	Ordinary profit	(2,206)	(2,206)	-	(1,994)	(1,994)	-
	Profit	(3,423)	(3,423)	-	(3,225)	(3,225)	-
	Net assets	19,160	19,596	435	18,730	19,165	435
	Total assets	24,550	24,550	-	23,669	23,669	-