

To all those concerned,

Name of Company: Prospect Co., Ltd.
 Representative: Representative Director and President, Curtis Freeze
 (Code No.: 3528 Listed on the Second Section of TSE)
 Contact: Representative Director, Managing Director,
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Notice of Differences between Full-Year Results
 for the Fiscal Year Ended March 31, 2018 and the Previous Fiscal Year

We announce the differences between the full-year results for the fiscal year ended March 31, 2018 (hereinafter referred to as “current results”) and the full-year results for the fiscal year ended March 31, 2017 (hereinafter referred to as “previous results”) as follows. Since the Company has not disclosed business results forecast for the fiscal year ended March 31, 2018, we explain the differences compared with the previous results.

1. Differences between the Current Results and the Previous Results

(1) Differences between the Full-Year Consolidated Results for the Fiscal Year Ended March 31, 2018 and the Consolidated Results for the Previous Fiscal Year

	Sales	Operating profit	Ordinary profit	Net profit attributable to owners of the parent for the year	Net profit per share for the year
	million yen	million yen	million yen	million yen	yen, sen
Previous consolidated business results (A)	14,143	△43	516	488	2 yen 88 sen
Current consolidated business results (B)	11,927	△1,354	△909	1,720	5 yen 17 sen
Increase/decrease (B-A)	△2,215	△1,310	△1,425	1,231	-
Rate of increase/decrease (%)	△15.7	-	-	252.0	-

(2) Differences between the Full-Year Individual Results for the Fiscal Year Ended March 31, 2018 and the Individual Results for the Previous Fiscal Year

	Sales	Operating profit	Ordinary profit	Net profit for the year	Net profit per share for the year
	million yen	million yen	million yen	million yen	yen, sen
Previous individual business results (A)	6,565	△96	643	670	3 yen 95 sen
Current individual business results (B)	5,103	△1,123	△299	△179	△0 yen 54 sen
Increase/decrease (B-A)	△1,462	△1,027	△943	△849	-
Rate of increase/decrease (%)	△22.3	-	-	-	-

2. Reasons for the Differences

As for the consolidated results, revenue was down comparing to previous fiscal year because the sales of real estate and equipment of our solar power plants and revenue from the joint investment project in Hawaii and foreign currency exchange profit related to assets denominated in foreign currencies, etc., were recorded in the previous fiscal year. In the current fiscal year, operating loss was recorded due to recording of attorneys’ fees and other acquisition expenses incurred in the course of making The Prospect Japan Fund Limited (hereinafter referred to as “PJF”) a subsidiary as selling, general and administrative expenses. However, net profit attributable to owners of the parent for the year increased compared with the previous year due to continuing revenue from the joint investment project in Hawaii as in the previous year as well as recording of profit on negative goodwill in connection with PJF becoming a subsidiary.

With respect to individual results, revenue from the joint investment project in Hawaii and profit on sale of solar power generation projects which the Company invested in and developed, etc., were recorded. However, operating profit, ordinary profit and net profit for the year decreased compared with the previous year mainly due to recording of professional advisory fees related to the renewable energy business in selling, general and administrative expenses as well as an increase in the tax burden resulting from an increase in taxable income, etc.