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For Immediate Release

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## Notice Regarding Differences from Results Forecast for the Full Year Ended March 2017

Citizen Watch Co., Ltd. (the "Company") hereby announces differences between the forecast for business results for the full year ended March 31, 2017 (from April 1, 2016 through March 31, 2017) announced on August 12, 2016 and the actual results announced today. Details are as follows.

### 1. Differences from the forecast for results for the full year ended March 2017

(from April 1, 2016 through March 31, 2017)

(Unit: millions of yen, %)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Earnings per share
Previous forecast (A) (announced on August 12, 2016)	319,000	21,500	19,500	12,500	39.27 yen
Actual results (B)	312,559	21,501	21,985	16,573	52.07 yen
Change (B – A)	Δ6,441	1	2,485	4,073	–
Change (%)	Δ2.0	0.0	12.7	32.6	–
(Reference) Actual results for the previous fiscal year	348,267	30,467	30,619	13,201	41.32 yen

### 2. Reasons for the differences

With regard to the full-year consolidated results for the fiscal year ended March 31, 2017, net sales fell slightly short of the forecast, a reflection of the severe market conditions, while operating income was almost in line with the forecast because of the reduction of fixed costs and other initiatives. Ordinary income surpassed the forecast as foreign exchange losses decreased more than initially anticipated on the back of the yen, which remained weaker than expected.

In addition to the better-than-expected ordinary income, the tax burden ratio was lower than projected, reflecting the reversal of a valuation allowance pertaining to deferred tax assets due to the posting of gains on sales of both non-current assets and investment securities, resulting from improvements in asset efficiency. Consequently, profit attributable to owners of parent surpassed the forecast.