



April 24, 2014

Press Release

Company Name: KADOKAWA CORPORATION
Representative: Masaki Matsubara, Representative Director and President
(Code: 9477, First Section of Tokyo Stock Exchange)
Contact: Akira Watanabe, Director, Executive General Manager of
Accounting & Finance Headquarters
(TEL. +81-3-3238-8412)

Notice of Differences Between Consolidated and Non-Consolidated Results Forecasts and Previous Year's Actual Results, and Revision to Dividend Forecast

KADOKAWA CORPORATION (the "Company") hereby announces the differences between consolidated and non-consolidated results forecasts for FY2014 (April 1, 2013 through March 31, 2014) and results in the previous fiscal year.

The Company also announces that an extraordinary meeting of the Board of Directors held on April 24, 2014 resolved to revise the dividend forecast for the fiscal year ended March 31, 2014. Details are as follows.

1. Differences between consolidated results forecast for FY2014 and the previous year's results

(i) Differences

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous year's results (A)	(Million yen) 161,602	(Million yen) 7,951	(Million yen) 8,661	(Million yen) 5,040	(Yen) 194.72
FY2014 forecast (B)	151,148	6,169	7,337	7,592	277.80
Change (B - A)	-10,453	-1,782	-1,324	2,552	
Percentage change	-6.5	-22.4	-15.3	50.6	

(ii) Reason

Net sales, operating income, and ordinary income are expected to decline from a year ago, reflecting the exclusion of a cinema complex operating company and subsidiaries in Hong Kong from the scope of consolidation.

Net income is anticipated to rise significantly from a year earlier chiefly due to the posting of extraordinary income associated with the sale of subsidiaries in Hong Kong.

2. Differences between non-consolidated results forecast for FY2014 and the previous year's results

(i) Differences

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous year's results (A)	(Million yen) 5,719	(Million yen) 907	(Million yen) 971	(Million yen) 677	(Yen) 26.18
FY2014 forecast (B)	94,655	547	1,564	17,673	646.65
Change (B – A)	88,936	-359	592	16,995	
Percentage change	—	-39.7	60.9	—	

(ii) Reason

Non-consolidated results have changed significantly from the previous fiscal year, reflecting the merger of nine consolidated subsidiaries on October 1, 2013.

Net income is expected to rise significantly from a year ago due to a large gain on the cancellation of shares following the absorption of subsidiaries.

3. Revision to the dividend forecast

(i) Revision

	Annual dividend				
	End of Q1	End of Q2	End of Q3	Year-end	Total
Previous forecast (April 25, 2013)	(Yen) —	(Yen) 0.00	(Yen) —	(Yen) 35.00	(Yen) 35.00
Revision	—	—	—	60.00 (Common dividend: 35.00) (Commemorative dividend: 25.00)	60.00 (Common dividend: 35.00) (Commemorative dividend: 25.00)
Dividend payment in FY2014	—	0.00	—		
Dividend payment in previous fiscal year (ended March 31, 2013)	—	0.00	—	45.00 (Common dividend: 35.00) (Commemorative dividend: 10.00)	45.00 (Common dividend: 35.00) (Commemorative dividend: 10.00)

(ii) Reason

Returning profits to shareholders is one of the Company's important management policies, and the Company is striving to increase its enterprise value through sustainable growth. The Company seeks to continue paying stable dividends, taking its results forecast, investment plan, and cash reserves in each fiscal year into account.

For the fiscal year ended March 31, 2014, the Company will distribute a commemorative dividend of 25 yen per share to celebrate net income, which is expected to be the highest achieved since the listing of its stock and the start of KADOKAWA as one company on October 1, 2013, and to express its thanks to its shareholders.

The year-end dividend will be 60 yen per share including the commemorative dividend.

The Company will propose the year-end dividend at the annual meeting of shareholders to be held on June 21, 2014.