



Forecast on FY2015 Yearly Financial Statement

Tokyo, Japan – April 17, 2015 – Gala Inc. announced today that its FY2015 Yearly Financial Statement Forecast is as follows and the fixed result would be announced on May 15, 2015. Stand-alone financial statement will be released once it is fixed:

1. FY2015 (April 1, 2014 – March 31, 2015)

Unit: Thousand Yen

	Sales	Operating Profit	Ordinary Profit	Net Income	EPS
FY2014 (A)	814	Δ345	Δ277	Δ263	Yen Δ23.94
FY2015 (B)	680	Δ308	Δ279	Δ291	Δ20.99
Difference (B - A)	Δ134	37	Δ2	Δ28	—
Difference (Rate)	Δ16.5%	—	—	—	—

2. Explanation on Forecast of FY2015

The Company released “Flyff All Stars” in English in Android (149 countries) and iOS (130 countries) in December 2014 which is based on PC online game “Flyff Online.” The promotion and development cost from the above service as well as release of other language(s) is(are) scheduled for the next fiscal year (thus not contributing to sales in fiscal year 2015) and sales of existing smartphone game apps such as “Dungeons & Golf” did not contribute as expected; decreasing sales of online game division exceeded increasing sales of smartphone game apps that led to sales forecast of JPY680 hundred. Also, continuous cost-cutting measure led to operating loss of JPY308 hundred. On the other hand, decrease relative to last fiscal year in foreign currency translation profit in non-operating loss led to non-operating loss of JPY279 hundred. Decrease in profit in reverse of stock options and profit from change in shareholders’ equity in extraordinary profit and decrease in impairment loss in extraordinary loss led to net loss of JPY291 hundred.

3. Forecast of FY2016

Since there is a possibility that the schedule related to smartphone game apps may change and smartphone game apps’ in-game sales and online game’s version update are difficult to predict, the Company will not disclose forecast of FY2016.

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Disclaimer: This summarized translation is provided for convenience only. In the event of any discrepancy with the Japanese original, the original shall prevail.