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株式会社ニラク·ジー·シー·ホールディングス NIRAKU GC HOLDINGS. INC.*

(Incorporated in Japan with limited liability)
(Stock Code: 1245)

POSITIVE PROFIT ALERT

This announcement is made by 株式会社二ラク•ジー•シー•ホールディングス NIRAKU GC HOLDINGS, INC.* (the "Company", together with its subsidiaries as the "Group") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "Board") wishes to inform the shareholders of the Company and potential investors that based on the preliminary review on the unaudited consolidated management accounts of the Group for the six months ended 30 September 2016, the Group expects the consolidated profit after tax for the six months ended 30 September 2016 would substantially increase as compared to that for the same period in 2015. The increase is mainly due to the substantial reduction in pachinko and pachislot machine expenses as a large portion of the Group's annual machine replacement for the prior year was accelerated to take place during the six months ended 30 September 2015, whilst for current year, the Group scheduled to replace the majority of machines in the second half of the year.

The Company is still in the process of finalising the unaudited consolidated results of the Group for the six months ended 30 September 2016. This announcement is only based on the Board's preliminary assessment of the unaudited consolidated management accounts of the Group which are subject to finalisation and other potential adjustments, if any, and have not been confirmed or audited by the Company's auditor. Shareholders of the Company and potential investors are advised to read carefully the results announcement of the Company for the six months ended 30 September 2016, which is expected to be published on or around 25 November 2016.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
NIRAKU GC HOLDINGS, INC.*
株式会社ニラク•ジー•シー•ホールディングス
Chairman, Executive Director and Chief Executive Officer
Hisanori TANIGUCHI
(also known as JEONG Seonggi)

Fukushima, Japan, 20 October 2016

As at the date of this announcement, the executive director of the Company is Hisanori TANIGUCHI (also known as JEONG Seonggi); the non-executive director of the Company is Hiroshi BANNAI; and the independent non-executive directors of the Company are Hiroaki MORITA, Norio NAKAYAMA, Masaharu TOGO, Michio MINAKATA and Yoshihiro KOIZUMI.

* for identification purpose only