

Notice Regarding Revision of Financial Results Forecast and Dividends from Retained Earnings

DAISHINKU CORP. (hereinafter, the “Company”) hereby announces that a revised forecast of consolidated financial results for the fiscal year ended March 31, 2018 (April 1, 2017 to March 31, 2018) that was previously announced on March 29, 2018. In addition, the Company resolved at the Board of Directors’ meeting held on May 11, 2018 to pay dividends from retained earnings regarded March 31, 2018 as the record date. The details are as follows:

1. Revision of Financial Results Forecast

(1) Revised Consolidated Forecast for the Fiscal Year Ended March 31, 2018 (April 1, 2017 to March 31, 2018)

(Units: Millions of Yen)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Net Income per share (Yen)
Previous Forecast (A)	30,200	150	20	(430)	(53.25)
Revised Forecast (B)	30,298	300	216	(298)	(36.93)
Difference (B-A)	98	150	196	132	—
% Change	0.3	100.0	980.0	—	—
(Reference) Fiscal Year Ended March 31, 2017	30,959	1,395	1,551	695	86.13

(2) Reasons for Revision

In the final consolidation process, as Net Sales increased compared with the forecast of consolidated financial results that was previously announced on March 29, 2018 and the exchange rate at the end of March, 2018 (106.24 yen per US dollar) remained weaker yen compared to the assumption (105 yen per US dollar), the Company revised the forecast of consolidated financial results for the fiscal year ended March 31, 2018. The announcement of consolidated financial results for the fiscal year ended March 31, 2018 is scheduled to be carried out on May 17, 2018.

2. Details of Dividends

	Dividend Declared of the Fiscal Year Ended March 2018	Previous Forecast (Announced on November 10, 2017)	Result of the Fiscal Year Ended March 2017
Record Date	March 31, 2018	Same as left	March 31, 2017
Dividend per Share	JPY 5	—	JPY 25
Total Dividends Paid	JPY 40 million	—	JPY 202 million
Effective Date	June 29, 2018	—	June 30, 2017
Dividend Resource	Retained Earnings	—	Retained Earnings

Reason

The Company strives to maximize corporate competitiveness and take into consideration the reinforcement of business structure and so forth. The Company recognizes that it is important basic policy in paying stable dividends to shareholders. In addition, the Company intends to further strengthen the management structure by attaining sufficient retained earnings in order to prepare capital demand for future business expansion, such as capital investment and research and development.

The Company decided to pay 5.00 yen per share as a year-end dividend, though we had announced that it had been undecided on November 10, 2017.

(Reference) Breakdown of Annual Dividends

Record Date	Dividend per Share		
	End of Second Quarter	Year-End	Annual
Previous Forecast (Announced November 10, 2017)	—	—	—
Fiscal Year Ended March 31, 2018	JPY 15	JPY 5	JPY 20
Fiscal Year Ended March 31, 2017	JPY 1	JPY 25*	—*

* The Company has implemented the share consolidation of common stocks at a ratio of one share per five shares effective as of October 1, 2016. In accordance with it, the year-end dividend of the revised forecast is calculated in consideration of the share consolidation and the annual dividend of the revised forecast is shown as “—”.