

Notice Regarding Differences between Projected Financial Results and Actual Financial Results and Dividends from Retained Earnings

DAISHINKU CORP. (hereinafter, the “Company”) announced that there were differences between the forecast of financial results for the fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019) that had been previously announced on February 12, 2019. In addition, the Company resolved at the Board of Directors’ meeting held on May 13, 2019 to pay dividends from retained earnings regarded March 31, 2019 as the record date. The details are as follows:

1. Differences between Forecast of Financial Results for the Fiscal Year Ended March 31, 2019 (April 1, 2018 to March 31, 2019) and the Actual Financial Results

(Units: Millions of Yen)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Net Income per share (Yen)
Previous Forecast (A)	28,500	10	140	(700)	(86.70)
Fiscal Year Ended March 31, 2019 (B)	28,457	47	381	(475)	(58.95)
Difference (B-A)	(43)	37	241	225	-
% Change	(0.2)	370.0	172.1	-	-
(Reference) Fiscal Year Ended March 31, 2018	30,298	300	216	(298)	(36.93)

Reason

Regarding net sales, it was almost in line with the forecast of consolidated financial results that was previously announced on February 12, 2019. In terms of profit, it exceeded the previous forecast because the exchange rate was weaker yen compared to the assumption, so ordinary income increased since recorded foreign exchange gains exceeded our expectation.

2. Details of Dividends

	Dividend Declared of the Fiscal Year Ended March 2019	Previous Forecast (Announced on November 9, 2018)	Result of the Fiscal Year Ended March 2018
Record Date	March 31, 2019	Same as left	March 31, 2018
Dividend per Share	JPY 5	—	JPY 5
Total Dividends Paid	JPY 40 million	—	JPY 40 million
Effective Date	June 28, 2019	—	June 29, 2018
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 9, 2018.

(Reference) Breakdown of Annual Dividends

Record Date	Dividend per Share		
	End of Second Quarter	Year-End	Annual
Fiscal Year Ended March 31, 2019	JPY 10	JPY 5	JPY 15
Fiscal Year Ended March 31, 2018	JPY 15	JPY 5	JPY 20