

DAISHINKU CORP.

March 18, 2020

Notice Regarding the Transfer of Fixed Assets and Recording of Extraordinary Income

On February 6, 2020, DAISHINKU CORP. (hereinafter, the “Company”) announced that expects 350 million yen as extraordinary income, including gains on the sale of real estate. At the Board of Directors’ meeting held on February 12, 2020, resolved a policy on the partial transfer of certain fixed assets. And on March 18, 2020, the Company officially resolved the partial transfer of them. Also, the Company will record the extraordinary income in connection with these transfers. The details are as follows:

1. Reason for the transfer

Based on the 10-year long-term business plan, the Company is working to efficiently manage its assets and strengthen / improve its financial condition.

2. Details of the transfer assets

1)

Description and location of the asset	Gain on transfer	Current usage
Land: 958.67m ² Building: 1883.44m ² Location: 2492-1 Syosya, Himeji, Hyogo	JPY 197 million	Real estate for rent

2)

Description and location of the asset	Gain on transfer	Current usage
Solar power generation equipment Location: 1939-15 ushijima, kamojima-cho, Yoshinogawa, Tokushima	JPY 303 million	In operation

(Note) Due to confidentiality obligations with each transferee, the transfer price and book value are kept confidential.

3. Summary of transferees

Due to confidentiality obligations with each transferee, the Company do not be disclose the transferee's summary. However, there is no capital relationship, personal relationship, business relationship, and related party to note between each transferee and the Company.

4. Schedule

1)

Resolution date: March 18, 2020

Contract date: March 18, 2020 (scheduled)

Property delivery date: March 24, 2020 (scheduled)

2)

Resolution date: March 18, 2020

Contract date: March 18, 2020 (scheduled)

Property delivery date: March 26, 2020 (scheduled)

5. Future outlook

Following the transfer of the above fixed assets, the Company will record 500 million yen to the extraordinary income for the fiscal year ending March 31, 2020. The impact on the result of the fiscal year ending in March 31, 2020 is currently reviewing and if it is necessary to revise any performance forecast on it, the Company will announce those revisions immediately.