

DAISHINKU CORP.

April 30, 2021

Notice Regarding Recording of Non-Operating Income and Extraordinary Loss, Revision of Financial Results Forecast

DAISHINKU CORP. (hereinafter, the “Company”) hereby announces that the Company is expected to record the non-operating income and extraordinary loss in the fiscal year ending March 31, 2021. In addition, the Company also announces that a revised forecast of consolidated financial results for the fiscal year ending March 31, 2021 that was previously announced on February 12, 2021. The details are as follows:

1. Recording of Non-Operating Income

In addition to recording foreign exchange losses of 48 million yen to non-operating expenses in the consolidated financial results for the third quarter ended December 31, 2020 (April 1, 2020 to December 31, 2020), foreign exchange gains of 448 million yen was recorded as non-operating income in the fourth quarter of the fiscal year ended March 31, 2021 (January 1, 2021 to March 31, 2021), due to recent exchange rate changes. As a result, foreign exchange gains of 399 million yen is expected to the consolidated financial results in the fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021).

2. Recording of Extraordinary Loss

Fixed Assets that had no foreseeable use in the future were written down in accordance with Accounting Standards for Impairment of Fixed Assets and impairment loss was recorded in the fiscal year ended March 31, 2021. As a result of this, impairment loss of 221 million yen is expected in extraordinary loss.

3. Revision of Financial Results Forecast

1) Consolidated Forecast for the Fiscal Year Ending March 31, 2021 (April 1, 2020 to March 31, 2021)

(Units: Millions of Yen)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Net Income per share (Yen)
Original Forecast (A)	32,000	1,500	1,300	700	86.73
Revised Forecast (B)	33,100	2,000	2,500	1,200	148.67
Difference (B-A)	1,100	500	1,200	500	—
% Change	3.4	33.3	92.3	71.4	—
(Reference) Fiscal Year Ended March 31, 2020	29,881	277	344	276	34.23

2) Reason

In the current consolidated fiscal year, strong demand for crystal devices continued in the fourth quarter due to the launch of 5G smartphones and the expansion of telework, and sales to telecommunications and consumer products exceeded expectations. In addition, regarding non-operating income, the previous forecast expected that foreign exchange losses would occur due to stronger yen, but foreign exchange gains are expected to be recorded due to weaker yen toward the end of the fiscal year. As a result, both sales and profits are expected to exceed expectations. Therefore, the Company revised the forecast of consolidated financial results for the fiscal year ending March 31, 2021 as shown above.

(Notes)

The forecasts are based on assumptions of the future economic environment using the data available at the time of disclosure. Actual consolidated financial results may differ from the forecasts, due to various factors.