

October 31, 2014

To All Stakeholders:

Name of Company: KAGA ELECTRONICS CO., LTD.
Stock Code: 8154
Stock Exchange Listing: Tokyo Stock Exchange, First Section
Headquarters: 20 Kandamatsunagacho, Chiyoda-ku,
Tokyo
Representative Title: President & COO
Name: Ryoichi Kado
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Notice Regarding Difference between Financial Forecast and Actual Results

KAGA ELECTRONICS CO., LTD. announced today the following differences between its consolidated financial forecast for the first half of the fiscal year ending March 2015 (April 1, 2014 to September 30, 2014) previously announced July 31, 2014, and its actual results announced today.

First half ended September 30, 2014 (April 1, 2014 to September 30, 2014)

	Net sales	Operating income	Ordinary income	Net income	Earnings per share
	million yen	million yen	million yen	million yen	yen
Previous forecast (A)	115,000	1,200	1,500	600	21.23
Actual results (B)	120,318	3,067	3,636	2,157	76.34
Change (B-A)	5,318	1,867	2,136	1,557	-
Percent change (%)	4.6	155.6	142.5	259.5	-
(Ref.) Previous fiscal year (First half FY3/14)	122,077	2,194	2,437	1,352	47.88

(Reasons for differences)

First half sales were higher than the forecast mainly for two reasons. First, overseas electronics manufacturing service (EMS) sales were higher than forecast. Second, in Japan, EMS sales for amusement equipment and sales of electronic components and semiconductors were recorded earlier than initially planned.

There are no revisions to the fiscal year forecast because the outlook remains uncertain. An announcement will be made promptly if a revision is needed due to a change in results of operations in the remainder of the fiscal year.