

February 6, 2020

Name of Company: KAGA ELECTRONICS CO., LTD.
Stock Code: 8154 Tokyo Stock Exchange, First Section
Head Office: 20 Kandamatsunagacho, Chiyoda-ku, Tokyo
Representative: Ryoichi Kado, President & COO
Contact: Eiji Kawamura, Managing Director,
Head of Administration Headquarters
Phone :03-5657-0111

KAGA ELECTRONICS Revises Consolidated Earnings Forecast

KAGA ELECTRONICS CO., LTD. (TSE: 8154; hereinafter, “the Company”) has revised its consolidated earnings forecasts for the fiscal period ending March 31, 2020, released on November 7, 2019, in light of recent earnings trends, as shown below:

1. Revisions to consolidated earnings forecasts for the fiscal period ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

Million yen	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
Previous forecast (A)	Million yen 430,000	Million yen 7,000	Million yen 7,000	Million yen 5,000	yen 182.17
Revised forecast (B)	442,000	9,000	9,000	5,000	182.17
Difference (B-A)	12,000	2,000	2,000	-	-
Difference (%)	2.8	28.6	28.6	-	-
(Reference) Results for the year ended March 31, 2019	292,779	7,570	7,859	8,014	292.07

2. Reasons for revisions

The electronic components sales business, a core business, was solid, particularly for medical equipment and automotive devices. As a result, the Company expects net sales to exceed the previous forecast.

The Company also expects operating income and ordinary income to surpass the previous forecasts because gross margin increased as a result of higher net sales, personnel costs decreased following personnel reductions, and efforts to curb other expenses were a success. At the same time, the Company left its forecast for profit attributable to owners of parent unchanged to take into account the posting of costs related to structural reforms in preparation for changes in the internal and external conditions, which are uncertain.

Note: The above earnings forecasts are based on the information currently available to the Company on the date of release and certain assumptions deemed reasonable. Actual results may vary from the forecast for a variety of reasons.