

November 5, 2020

Name of Company: KAGA ELECTRONICS CO., LTD.
Stock Code: 8154 Tokyo Stock Exchange, First Section
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Notification of Revisions to Earnings Forecasts

In light of recent earnings trends, the earnings forecasts for the fiscal year ending on March 31, 2021, released on August 6, 2020, have been revised as shown below.

Details

1. Earnings forecast

Consolidated earnings forecasts for the fiscal year ended March 31, 2020 (from April 1, 2020 to March 31, 2021)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	(yen)
Previous forecast (A) (Announced on August 6, 2020)	400,000	5,000	4,500	10,000	364.18
Revised forecast (B)	410,000	7,500	7,500	10,000	364.18
Difference (B-A)	10,000	2,500	3,000	-	-
Percent change (%)	2.5	50.0	66.7	-	-
(Reference) Results for the fiscal year ended March 31, 2020	443,615	10,014	10,137	5,852	213.21

2. Reasons for consolidated earnings forecasts

In the second quarter of the fiscal year ending on March 31, 2021, while sales were still down significantly compared to the previous fiscal year in the electronic components segment due to the termination of large commercial rights agreements with some business partners, we are gradually beginning to see signs of a recovery from the impact of the coronavirus outbreak in parts of the manufacturing industry. In addition, in the information equipment segment, sales of PC products have remained strong due to higher demand for remote work and online schooling, while selling, general and administrative expenses have decreased due to the voluntary suspension of some marketing activities. As a result of these and other factors, net sales and income have been higher than internal forecasts.

In light of these conditions, we have revised our full-year earnings forecasts previously announced on August 6, 2020. We have raised our net sales forecast by 10 billion yen to 410 billion yen, increased the operating income forecast by 2.5 billion yen to 7.5 billion yen, and raised the ordinary income forecast by 3 billion yen to 7.5 billion yen. We maintain a cautious view of the impact on our business environment, given the uncertainties as to when the coronavirus outbreak will subside, and thus at this time our forecast for profit attributable to owners of parent remains unchanged.

Note: The above 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.

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