

February 4, 2021

Name of Company: KAGA ELECTRONICS CO., LTD.
Stock Code: 8154 Tokyo Stock Exchange, First Section
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KAGA ELECTRONICS Revises Earnings Forecast and Dividend Forecast (dividend increase)

KAGA ELECTRONICS CO., LTD. (hereafter, "the Company") has revised its consolidated earnings forecast and dividend forecast for the fiscal year ended March 31, 2021, released on November 5, 2020, in light of recent earnings trends, as shown below:

Details

● Revision of earnings forecast

Revisions to consolidated earnings forecasts for the fiscal year ended March 31, 2021 (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 December 5, 2020)	410,000	7,500	7,500	10,000	364.18
Revised forecast (B)	415,000	9,000	8,500	10,500	382.30
Difference (B-A)	5,000	1,500	1,000	500	-
Percent change (%)	1.2	20.0	13.3	5.0	-
(Reference) Results for the fiscal year ended March 31, 2020	443,615	10,014	10,137	5,852	213.21

[Reasons for revisions]

In the Electronic components and EMS businesses where signs of recovery are emerging in demand from customers in the manufacturing sector, related Group companies both in Japan and overseas are on the whole outperforming their internal forecasts. Likewise, the Information Equipment business is enjoying strong sales of PC products that respond to the needs in teleworking and on-line learning. Meanwhile, continued efforts are being made to curb selling, general and administrative expenses with focus on reducing controllable costs.

In light of the earnings trend as described above, the Company revised its full-year earnings forecast, raising the forecast for net sales by 5,000 million yen from the previously announced figure to 415,000 million yen, operating income by 1,500 million yen to 9,000 million yen, and ordinary income by 1,000 million yen to 8,500 million yen, while profit attributable to owners of the parent was revised to 10,500 million yen, up 500 million yen, taking into careful consideration impacts of the COVID-19 pandemic and other factors.

● Revision of dividend forecast

	Annual dividends		
	Second quarter end	Year-end	Total
Previous forecast (Announced on December 5, 2020)		30 yen	60 yen
Revised forecast		40 yen (Ordinary dividend 30 yen) (Special dividend 10 yen)	70 yen (Ordinary dividend 60 yen) (Special dividend 10 yen)
Dividends for the current fiscal year	30 yen		
Dividends for the previous fiscal year (Fiscal year ended March 31, 2020)	30 yen	40 yen (Ordinary dividend 30 yen) (Special dividend 10 yen)	70 yen (Ordinary dividend 60 yen) (Special dividend 10 yen)

[Reasons for revisions]

The Company has positioned the return of profits to shareholders as one of the most important management policies, and in addition to endeavoring to strengthen its financial position and management foundation with a long term perspective, has the basic policy of maintaining stable and ongoing dividends to all shareholders in conjunction with the consolidated results.

In light of this revision to the full-year earnings forecast, we have increased the dividend for the fiscal year ended March 2020 to 40 yen per share, adding a special dividend of 10 yen per share to the initial forecast of 30 yen per share. Thus, together with the interim dividend of 30 yen, the full-year dividend will be 70 yen per share, unchanged from the previous fiscal year.

A proposal concerning this matter will be submitted to the 53rd Ordinary General Meeting of Shareholders scheduled for June 29, 2021.

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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