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To whom it may concern

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Securities code: 8840
Listing: First Section, Tokyo Stock Exchange
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Announcement Concerning Difference of Non-consolidated Performance Forecast to the Performance of the Previous Fiscal Year

DAIKYO INCORPORATED (the “Company”) hereby announces that non-consolidated performance forecasts of net sales for the fiscal year ending March 2017 are expected to deviate from the performance of the previous fiscal year to the extent that disclosure is required, as a result of the revision of the group-wide business plan in the medium-term management plan announced today, although non-consolidated performance forecasts were not disclosed in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2016 (J-GAAP) announced on May 10, 2016.

There are no changes from the consolidated performance forecast announced on May 10, 2016.

1. Full-year Non-consolidated Performance Forecast (April 1, 2016 to March 31, 2017)

(Millions of yen)

	Net sales	Ordinary income	Net income	Net income per share
Results for the fiscal year ended March 31, 2016 (A)	86,736	8,034	9,379	¥11.07
Forecast (B) (Fiscal year ending March 31, 2017)	67,000	7,500	8,500	¥10.12
Change (B-A)	(19,736)	(534)	(879)	—
Change (%)	(22.8)	(6.7)	(9.4)	—

2. Reason for the Difference

With regard to non-consolidated performance for the fiscal year ending March 2017, both the number of condominium units completed and the number of condominium units sold are expected to decline from the previous fiscal year, resulting in decreased revenue and income.

* Forward-looking statements in this document, including the performance outlook, etc., were written based on the information the Company possessed at this time and certain assumptions the Company considered to be reasonable. Actual performance may differ from the forecast figures due to various factors.

Disclaimer

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