

To whom it may concern,

Company name: DAIKYO INCORPORATED

Representative: Akira Yamaguchi

Representative Executive Officer, President

Securities code: 8840

Listing: First Section, Tokyo Stock Exchange Contact: Koichi Hinago, General Manager,

Group Corporate Planning Department

Announcement Regarding Revisions of the Performance Forecast

DAIKYO INCORPORATED (the "Company") hereby announces that it has revised its performance forecast for the fiscal year ending March 31, 2018, which was announced on May 15, 2017, to reflect the latest status of transactions and business performance.

1. Revisions of the performance forecast for the fiscal year ending March 31, 2018 (April 1, 2017 through March 31, 2018)

(1) Non-consolidated Forecast

(Millions of yen)

| | Net sales | Ordinary income | Net income | Net income per share(yen) |
|-----------------------|-----------|-----------------|------------|---------------------------|
| Previous forecast (A) | 58,000 | 9,800 | 10,300 | 121.72 |
| Revised forecast (B) | 63,900 | 11,700 | 12,000 | 143.15 |
| Change (B-A) | 5,900 | 1,900 | 1,700 | _ |
| Percentage change (%) | 10.2 | 19.4 | 16.5 | _ |

(2) Consolidated Forecast

(Millions of yen)

| | Net sales | Operating income | Ordinary income | Profit attributable to owners of parent | Net income per share(yen) |
|-----------------------|-----------|------------------|--------------------|---|---------------------------|
| Previous forecast (A) | 340,000 | 19,000 | 18,000 | 12,000 | 142.46 |
| Revised forecast (B) | 335,100 | 20,100 | 19,700 | 13,800 | 164.76 |
| Change (B-A) | (4,900) | 1,100 | 1,700 | 1,800 | _ |
| Percentage change (%) | (1.4) | 5.8 | 9.4 | 15.0 | _ |

2. Reasons for the revision

The Company conducted a replacement of asset as a part of activities to utilize earning properties. Owing to the prosperous market environment, the asset was sold at a higher price than what was estimated, leading to a revision on both the non-consolidated forecast and consolidated forecast.

^{*} The forward-looking statements in this document, including forecasts, are based on information available at the time of publication, including uncertain elements. Actual results may differ from the forecast figures due to various factors.