



October 26, 2018

To Whom It May Concern:

Company: DAIKYO INCORPORATED
Representative: Kazuo Kojima, President and Representative
Executive Officer
(Code No.: 8840; First Section of the Tokyo Stock
Exchange)
Contact: Yoichi Ouchi, Executive Officer Responsible for
Head of Finance, Accounting and Corporate Planning
Headquarters

**Notice Regarding Revision of Dividends Forecast (No Dividends)
for the Fiscal Year Ending March 2019**

DAIKYO INCORPORATED (the “Company”) hereby announces that it resolved at its board of directors meeting held today to revise its dividends forecast for the fiscal year ending March 2019 and not to pay dividends at the end of the fiscal year ending March 2019, conditional upon the successful completion of a tender offer for common shares of the Company to be conducted by ORIX Corporation (the “Offeror”) (such tender offer, the “Tender Offer”) described in the press release separately issued today titled “Announcement of Opinion in Support of the Tender Offer for Our Shares to be Conducted by ORIX Corporation, a Controlling Shareholder, and Recommendation for our Shareholders to Tender their Shares in the Tender Offer.”

1. Reason for Revision of Dividends Forecast

The Company resolved at its board of directors meeting held today to express its opinion in support of the Tender Offer and to recommend that the Company’s shareholders tender their shares in the Tender Offer.

The above resolution of the Company’s board of directors meeting was made on the premise that the Offeror intends to make the Company its wholly-owned subsidiary, and that the Company’s shares will be delisted through the Tender Offer and procedures to be taken thereafter. For further details, see the press release separately issued today titled “Announcement of Opinion in Support of the Tender Offer for Our Shares to be Conducted by ORIX Corporation, a Controlling Shareholder, and Recommendation for our Shareholders to Tender their Shares in the Tender Offer.”

The Company has endeavored to return profits to its shareholders based on “stability,” “continuity,” and “enhancing sustainable returns” as its shareholder return policies held up in its medium-term management plan issued in October 2016. However, if the Company pays year-end dividends with a record date of March 31, 2019, which falls after the payments for the Tender Offer have been settled, the economic outcomes might be different between common shareholders that tender their shares and those that do not. Therefore, from the perspective of ensuring fairness for all common shareholders, the Company resolved at its board of directors meeting held today to revise its dividends forecast for the fiscal year ending March 2019 and not to pay dividends for common shares at the end of the fiscal year ending March 2019, conditional upon the successful completion of the Tender Offer. Further, in relation to not to pay dividends for common shares at the end of the fiscal year ending March 2019, the Company resolved at its board of directors meeting held today to revise its dividends forecast for the fiscal year ending March 2019 and not to pay dividends for class 1 preferred shares at the end of the fiscal year ending March 2019, conditional upon the successful completion of the Tender Offer.

2. Details of Revision of Dividends Forecast

Common Shares

Record date	Fiscal year dividends (Yen)		
	Second quarter end	Year end	Total
Previous forecast (as of July 30, 2018)	Yen Sen -	Yen Sen 60.00	Yen Sen 60.00
Revised forecast	-	0.00	0.00
Actual amount paid this fiscal year (ending March 2019)	0.00	-	-
Actual amount paid last fiscal year (ending March 2018)	0.00	60.00	60.00

Class 1 Preferred Shares

Record date	Fiscal year dividends (Yen)		
	Second quarter end	Year end	Total
Previous forecast (as of July 30, 2018)	Yen Sen -	Yen Sen 75.44	Yen Sen 75.44
Revised forecast	-	0.00	0.00
Actual amount paid this fiscal year (ending March 2019)	-	-	-
Actual amount paid last fiscal year (ending March 2018)	-	75.12	75.12

End