

February 8, 2016

To All Persons Concerned

Name of Public Listed Company: SHINKAWA LTD.  
President and CEO, Representative Director: Takashi Nagano  
(Company Code of Tokyo Stock Exchange 1<sup>st</sup> Section: 6274)  
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**Notice of Revisions to Forecast of Consolidated Financial Results  
and Forecast Dividend for the Fiscal Year ending March 31, 2016**

SHINKAWA LTD. announces that the forecast of consolidated results and forecast dividend for the fiscal year ending March 31, 2016, have been revised as detailed below.

**1. Revision to full year consolidated financial results forecast (from April 1, 2015 to March 31, 2016)**

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Basic earnings per share (yen)
Previous forecasts (A) (Announced on November 9, 2015)	15,400	-160	-410	-650	-35.77
Revised forecasts (B)	12,300	-1,060	-1,200	-1,400	-77.03
Change (B-A)	-3,100	-900	-790	-750	—
Change (%)	-20.1	—	—	—	—
(Reference) Results of the corresponding period of the previous fiscal year (FY2014)	11,352	-2,669	-1,784	-1,894	-104.19

**Reason for revision of the projections on our business performance**

As for our annual projections for the Group's future consolidated business performance during the fiscal year ending March 2016, the production of electronic equipment grew sluggishly with an apparent slowdown in the Chinese economy. The decline in production has been seen in the entire semiconductor market from mobile-related devices and discrete devices to the electronic components market. This trend creates uncertainty in customers' production plans and their cautious stances impact further capital investment, resulting in an expected decrease in the Group's sales volume. Profitability is also predicted to fall short of our previous expectation due to the decrease in sales volume.

## 2. Revisions to dividends forecasts

(Yen)

	Cash dividends per share				
	End of Q1	End of Q2	End of Q3	Year-end	Total
Previous forecast (Announced on May 15, 2015)	—	0.00	—	—	—
Revised forecasts	—	—	—	0.00	0.00
Dividend paid for the current fiscal year ending March 31, 2016	—	0.00	—		
Dividend paid for the previous fiscal year ended March 31, 2015	—	—	—	0.00	0.00

### Reason for revision of our expected dividend

The Group regards the redistribution of the profit to shareholders as one of the most important corporate responsibilities, and continuous and stable dividend payments as a fundamental policy. At the same time, the Group would like to redistribute the profit according to its business performance.

The Group has experienced a hardship with a deficit for seven consecutive years and expects to post a deficit for fiscal year 2016 as mentioned above. Since the Group considers strengthening the business base a priority, it regrettably announces that it will decline its dividend for the current term.

(Note) The above forecasts are based on information currently available to SHINKAWA LTD. and certain assumptions determined as rational. Actual performance may significantly differ from these forecasts due to various factors in the future.