



November 2, 2021

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Representative: Chairman and CEO
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(Code: 6644, TSE 1st Section)
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Notice Concerning Difference between First Half Forecasts and Actual Financial Results, and Revision of Full Year Financial Results Forecasts

Osaki Electric Co., Ltd. (Tokyo, hereinafter “Osaki”), hereby announces that actual financial result for the first half of fiscal year 2021 reported today is different from the forecast announced on May 11, 2021.

Also, in light of recent business environment, Osaki decided to revise consolidated financial forecast for the fiscal year ending March 31, 2022.

Notes

1. Differences between Forecast and Actual Results for the first half of fiscal year 2021

(from April 1, 2021 to September 30, 2021)

	Net Sales (Million yen)	Operating Income (Million yen)	Ordinary Income (Million yen)	Net Income Attributable to Owners of Parent (Million yen)	Net Income Attributable to Owners of Parent per Share (Yen)
Previous Forecasts (A)	39,000	800	700	100	2.04
Actual Results (B)	36,087	461	531	(236)	(4.83)
Change (B-A)	(2,912)	(338)	(168)	(336)	
Rate of Change (%)	(7.5)	(42.3)	(24.1)	—	
(Reference) Results for the first half of fiscal year 2021	35,734	767	744	(202)	(4.14)

Reason for difference

In Japan, while sales of smart meters remained steady, sales of smart locks for rental property and various solution services were below expectation. In addition, overseas sales did not reach our expectation due to electronic component shortage, which caused delay in manufacturing. As a result, consolidated sales and profits for the first half of fiscal year 2021 were lower than the initial financial forecasts.

2. Revision of consolidated financial results forecast for the fiscal year 2021
(from April 1, 2021 to March 31, 2022)

	Net Sales (Million yen)	Operating Income (Million yen)	Ordinary Income (Million yen)	Net Income Attributable to Owners of Parent (Million yen)	Net Income Attributable to Owners of Parent per Share (Yen)
Previous Forecasts (A)	83,000	3,500	3,300	3,000	61.16
Revised Forecasts (B)	—	—	—	—	—
Change (B-A)	—	—	—	—	
Rate of Change (%)	—	—	—	—	
(Reference) Results of the previous fiscal year ended March 31, 2021	76,255	2,684	2,888	482	9.84

Reason for revision

Electronic component shortages have been hindering smart meter business, which is the main business both in Japan and overseas. While our Group puts its best effort to minimize the impact, we expect significant procurement risk from prolonged electronic component shortages. Because it is difficult to reasonably accumulate the degree of financial impact at the moment, the Company regrets to forego the notice of revised financial forecasts for the fiscal year ending March 31, 2022. We will announce the forecast upon reasonable calculation.

- The forecast figures shown in this document are based on information available at the time of preparation and actual figures may differ from the forecast figures due to various factors.

End of Notice