



March 28, 2019

To whom it may concern

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**Notice regarding differences between business performance forecast  
 and actual results in the fiscal year ended February 2019**

Takihyo Co., Ltd. ("Takihyo") hereby announces that differences have arisen between the business performance forecast for the fiscal year ended February 2019 (March 1, 2018 to February 28, 2019) that was announced on December 27, 2018, and the actual results announced today.

1. Fiscal year ended February 2019

Differences between consolidated full-year business performance forecast and actual results

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Profit per share
	million yen	million yen	million yen	million yen	yen sen
Previous forecast (A)	64,900	(140)	(80)	(1,800)	(192.98)
<b>Actual results (B)</b>	<b>64,815</b>	<b>101</b>	<b>209</b>	<b>(1,621)</b>	<b>(173.80)</b>
Amount of increase/decrease (B - A)	(84)	241	289	178	—
Rate of increase/decrease (%)	(0.1)	—	—	—	—
(Reference) Previous fiscal year results (fiscal year ended February 28, 2018)	72,751	(1,148)	(1,099)	1,959	210.04

2. Fiscal year ended February 2019

Differences between non-consolidated full-year business performance forecast and actual results

	Net sales	Ordinary income	Profit	Profit per share
	million yen	million yen	million yen	yen sen
Previous forecast (A)	58,300	30	(1,600)	(171.54)
<b>Actual results (B)</b>	<b>58,331</b>	<b>281</b>	<b>(1,372)</b>	<b>(147.14)</b>
Amount of increase/decrease (B - A)	31	251	227	—
Rate of increase/decrease (%)	0.1	839.9	—	—
(Reference) Previous fiscal year results (fiscal year ended February 28, 2018)	66,469	(1,018)	2,185	234.31

(Note) Takihyo is carrying out a consolidation of shares at a ratio of one share per five common shares on September 1, 2017. The profit per share for the previous fiscal year's results has been calculated by supposing that this consolidation of shares had been carried out at the beginning of the previous consolidated fiscal year.

3. Reasons for the differences

The net sales has turned out almost the same as previously forecasted.

With regard to profits, we reviewed products with a low profit rate. The gross profit margin of spring and summer sales improved more than we had predicted, and at the same time, selling and administrative expenses decreased. As a result, net loss for the fourth quarter (December to February) decreased and operating/ordinary profits and losses and net profits or losses for the quarter attributable to owners of parent in the full fiscal year (net profits or losses for the quarter for non-consolidated business performance) has exceeded the results previously forecasted.