

August 7, 2017

To All Persons Concerned

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 President and CEO, Representative Director: Takashi Nagano
 (Company Code of Tokyo Stock Exchange 1st Section: 6274)
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Notice of Revisions to the First Half and Full Year Consolidated
 Financial Forecasts for the Fiscal Year ending March 31, 2018

SHINKAWA LTD. announces that the forecasts of consolidated results for the first half and full year for the fiscal year ending March 31, 2018 which were announced on May 12, 2017 have been revised as described below.

1. Revision to the first half consolidated financial results forecast (from April 1, 2017 to September 30, 2017)

(Millions of yen)

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Basic Earnings per Share (yen)
Previous forecasts (A) (Announced on May 12, 2017)	9,600	120	110	50	2.75
Revised forecasts (B)	7,900	-230	-230	-320	-17.61
Change (B-A)	-1,700	-350	-340	-370	—
Change (%)	-17.7	—	—	—	—
(Reference) Results of the corresponding period of the previous fiscal year (First half of FY2016)	6,046	-507	-913	-995	-54.73

2. Revision to full year consolidated financial results forecast (from April 1, 2017 to March 31, 2018)

(Millions of yen)

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Basic Earnings per Share (yen)
Previous forecasts (A) (Announced on May 12, 2017)	19,500	280	320	200	11.01
Revised forecasts (B)	18,900	310	360	210	11.56
Change (B-A)	-600	30	40	10	—
Change (%)	-3.1	10.7	12.5	5.0	—
(Reference) Results of the corresponding period of the previous fiscal year(FY2016)	16,438	294	432	243	13.37

3. Reasons for Revisions

For the business performance during the first six months of the fiscal year ending March 31, 2018, net sales is expected to decline due to the fact that anticipated customers' investment plans in the second quarter have been shifting to the second half. In addition, profitability is also predicted to fall short of our previous expectation because of the decrease in sales volume.

Regarding our annual projections on the Group's business performance, although we anticipate that the net sales originally expected during the second quarter will instead be achieved in the second half, some customers' investment plans may be postponed to the next fiscal year, leading to a decrease of net sales. On the other hand, profitability is expected to maintain its projected level due to reasons mainly for recent fluctuations in exchange rates. The expected foreign exchange rate is 110 yen per U.S. dollar.

(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.