



March 15, 2022.

Dear all,

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Name of representative: Ryusuke Utsumi,
CEO
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Notice on the forecast results and dividends for the fiscal year ending in March 2022

Please be advised that SUNCORPORATION has decided to make the following changes to its undisclosed full-year forecasts and dividend forecasts for the year ending March 31, 2022.

1. Performance forecast

(1) Reasons for the forecast

Based on recent economic trends and the financial results of overseas subsidiaries and other entities, SUNCORPORATION is announcing the following consolidated forecasts for the fiscal year ending in March 2022, which have not yet been announced.

(2) Forecast consolidated results for the fiscal year ending in March 2022 (April 1, 2021 - March 31, 2022)

(million yen)

Period.	Sales	Operating profits	Ordinary profits	Net profit for the year attributable to the parent company	Net profit for the year per share
Forecasts for this time	37,500- 38,000	1,400-1,500	7,500-. 8,000	2,300-. 2,400	92.00 -. 98.00 yen
(Reference) Previous year's results (Fiscal year ended in March 31, 2021)	26,662	687	881	47	2.08 yen
Increase/decrease from the previous year (%)	41-43	104-118	751-808	-	-

As announced today in the "Notice on non-operating income", regarding the derivative liabilities recorded in connection with the merger agreement entered into when Cellebrite DI Ltd ("Cellebrite"), a consolidated subsidiary of SUNCORPORATION, became listed on NASDAQ on August 30, 2021, a gain on valuation of derivatives arising from changes in fair value due to changes in Cellebrite's share price and other factors will be recorded as non-operating income. These liabilities affect the Group's results and financial position due to changes in the fair value of Cellebrite's share price and other factors. Therefore, depending on the price movement of Cellebrite's share price in the following term, SUNCORPORATION may record a loss on valuation of derivatives as a non-operating expense due to an increase in the fair value of the liabilities.

As a side note, the book closing date of the foreign subsidiaries, including Cellebrite, is December 31, 2021. When forecasting the consolidated financial results, we use the financial statements as of the same date, December 31, 2021. As for the material discrepancies in accounting records related to the transactions between consolidated companies, which arise from the book closing date difference, we make the necessary adjustments to consolidate the figures.

2. Dividend forecast

	Annual dividend (yen)		
	End of second quarter	end of term	total amount
Previous forecast		undecided	undecided
Revised forecast		20.00	40.00
Actual results for this term	20.00		
Results of the previous year	0.00	10.00	10.00

The Company's basic policy is to actively and flexibly distribute profits according to the performance, taking into account the medium- and long-term free cash flow and the dividend payout ratio, in order to develop the business for the future, strengthen the management base and increase corporate value over the medium term.

As a result of the solid performance of the current financial year and taking into account the financial position of the company, the year-end dividend forecast for the current financial year has been set at 20 yen per share.