



March 22, 2023

Dear all,

Company name: SUNCORPORATION
Name of representative: Ryusuke Utsumi,
CEO
(Code No. 6736 TSE Standard)
Contact: Yoshimi Kimura,
Senior Managing Director
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Notice on the forecast results and dividends for the year ending March 2023

Please be advised that SUNCORPORATION has decided to revise its previously undisclosed forecast of full-year results and dividends for the year ending March 31, 2023 as follows.

1. Performance forecast

(1) Reasons for earnings forecast

Based on recent economic trends and the financial results of overseas subsidiaries and other entities, the Company is announcing the following consolidated earnings forecast for the year ending March 31, 2023, which had not yet been announced.

(2) Forecasted monthly consolidated results for the year ending March 2023 (April 1 2022 – March 31 2023)

(Unit : million JPY)

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	36,500-37,500	-1,650-1,750	14,000-15,000	6,500-7,500	250.00-350.00yen
(Reference) Previous year's results (FY ended in March 31, 2022)	37,205	1,360	9,674	2,818	117.77yen
Increase/decrease from the previous year (%)	-1.89-0.79	-	44.7-55.1	130.6-166.1	112.3-197.2

In the current financial year, Cellebrite DI Ltd ('Cellebrite'), which was a consolidated subsidiary became an equity method affiliate from the fourth quarter due to a change in the Company's shareholding. As a result of this change, Cellebrite's income statement for the fourth quarter is presented in the Company's consolidated income statement as equity in earnings for the fourth quarter.

In addition, in the merger agreement entered into when Cellebrite was listed on the NASDAQ market on August 30 2021, when it was a consolidated subsidiary of the Company, a price adjustment clause, certain restricted shares and warrant liabilities assumed from TWC Tech Holdings II Corp. were recognised as liabilities. This liability is subject to changes in fair value due to changes in Cellebrite's share price and other factors that affect the Group's results of operations and financial position. For further details, please refer to the 'Notice on non-operating Income' published on March 15 2022.

The closing date of the equity method affiliates and overseas subsidiaries, including Cellebrite, is December 31 2022. The financial statements of these companies as at that date are used in the forecasting of consolidated results, but necessary adjustments are made in consolidation to account for material discrepancies in accounting records relating to transactions between consolidated companies arising from the difference between that date and the consolidated closing date.

2. Dividend forecasts

	Annual dividend (yen)		
	End of second quarter	End of term	Total amount
Previous forecast		Undecided	Undecided
Revised forecast		20.00	20.00
Actual result for this term	0		
Results of the previous year	20.00	20.00	40.00

(2) Reasons for the announcement of the dividend forecast

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

For the dividend for the year under review, the Company has decided to set the year-end dividend forecast at 20 yen per share, taking into account the solid performance of the year under review and the financial position of the Company.