



May 15, 2024

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(Securities code: 6699; Prime Market)  
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**Notice Concerning Recording of Non-operating Income and Extraordinary Losses,  
and Difference between Forecast and Actual Results  
for the Fiscal Year Ended March 31, 2024**

Diamond Electric Holdings Co., Ltd. (“the Company”) recorded non-operating income (foreign exchange gains) and extraordinary losses for the fourth quarter of the fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024). Accordingly, there is a difference between the consolidated earnings forecast for the fiscal year ending March 31, 2024 announced on February 14, 2024 and the actual results announced today.

**1. Recording of Non-operating Income (foreign exchange gains)**

Although the Company recorded a foreign exchange gains of 563 million JPY in the consolidated cumulative third quarter of the fiscal year ended March 31, 2024, foreign exchange gains of 903 million JPY were recorded in the fourth quarter of the current fiscal year due to fluctuations in foreign exchange rates.

As a result, foreign exchange gains for the current consolidated cumulative fourth quarter became 1.467 million JPY.

**2. Recording of Extraordinary Losses**

In the third quarter of the current consolidated accounting period, the Company recorded an extraordinary loss (provision for product compensation) of 1.123 billion JPY related to a recall in the Mobility Equipment Business. However, due to further progress in cost sharing negotiations for this measure, an additional amount of 587 million JPY was recorded in the fourth quarter of the consolidated accounting period.

As a result, provision for product compensation for the current consolidated cumulative fourth quarter amounted to 1.71 billion JPY.

The Company is still negotiating with the customer regarding the reimbursement of partial expenses associated with this measure.

### 3. Difference between Consolidated Business Forecast and Actual Results

(1) Difference between consolidated business forecast and actual results for the fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

	Net sales	Operating income	Ordinary income	Net income attributable to parent company shareholders	Net income per share
	Million JPY	Million JPY	Million JPY	Million JPY	JPY
Previous Forecast (A)	93,000	0	600	- 1,300	- 155.26
Actual Value (B)	93,334	230	1,313	- 1,897	- 226.59
Change (B-A)	334	230	713	- 597	-
Change (%)	0.4	-	119.0	-	-
(Reference) Results for FY2023/03	91,106	- 1,187	- 817	- 1,075	- 139.52

### 4. Reason for Difference

Although sales were affected by cable shortages in the Energy Solution Business and changes in production plans of customers in the Mobility Equipment Business, sales increased due to the impact of JPY depreciation and a recovery in market demand in the Home Electronics Business. As a result, net sales reached the targeted level.

Operating income exceeded the forecast by 230 million JPY due to an improved cost of sales ratio resulting from a review of selling prices and continued measures such as efforts to reduce costs.

Ordinary income exceeded the forecast by 713 million JPY due to an increase in operating income as well as the recording of non-operating income of 1.467 billion JPY currency gains from exchange rate fluctuations.

Net income attributable to the Company's shareholders exceeded the increase in ordinary income and fell short of the forecast by 597 million JPY, due to the recording of an extraordinary loss of 1.71 billion JPY as provision for product compensation losses related to the recall in the Mobility Equipment Business, and 1.167 billion JPY in tax expenses.

Note: This document is a translation of the original Japanese version. In the event of any discrepancy between the meaning or wording of the English version and the Japanese version, the meaning or wording of the Japanese version shall prevail.