May 24, 2021

Autonomous Control Systems Laboratory Ltd.

# Notice Regarding Change of Fiscal Term (Closing Date of Business Term) and Amendment to Forecast of Financial Results due to Change of Fiscal Term

Autonomous Control Systems Laboratory Ltd. (ACSL) hereby announces that ACSL has decided to change of fiscal term (closing date of business term) as follows at the meeting of the Board of Directors held on 24 May 2021. This matter will be formally decided at the 9th Ordinary General Meeting of Shareholders scheduled for June 24, 2021.

ACSL has decided to revise financial results to the nine-month period, subtracting the forecast of financial results for the three-month period from January 1, 2022 to March 31, 2022 from the twelve-month period from April 1, 2021 to March 31, 2022, that announced in the "Summary of Financial Statements for the Fiscal Year Ended March 31, 2021 [Japanese GAAP] (Consolidated)" dated May 12, 2021 due to the change of fiscal term.

Regarding the partial amendment to the Articles of Incorporation, please refer "Notice Regarding Partial Amendments to the Articles of Incorporation" disclosed today.

1. Reason for the Change

ACSL books sales on an acceptance basis by client at completion of project.

Because projects for large companies or projects related to government are following client budget cycle, and the completion of large-scale projects is concentrated at the end of the fiscal year, ACSL has sales seasonality concentrated in 4th quarter, January 1 to March 31, of fiscal year, April to March 31.

Regarding these circumstances, ACSL recognizes that its quarterly results may not provide sufficient information for shareholders and investors to analyze its full-year results. Therefore, ACSL decided to change of fiscal term from January 1st to December 31st every year for the purpose of improving the visibility of its business results.

2. Details of the Change of Fiscal Term

Current：Ends on March 31 of each year

After the change：Ends on December 31 of each year

The 10th term, which is a transitional period for the change of the fiscal term, will be the nine-month period from April 1, 2021 to December 31, 2021.

3. Amendment to Forecast of Financial Results

Subject to approval of a partial amendment to the Articles of Incorporation (change of fiscal term) at the 9th Ordinary General Meeting of Shareholders to be held on June 24, 2021, the 10th fiscal term, transitional period, will be a nine-month period from April 1, 2021 to December 31, 2021. As a result, ACSL has revised forecast of financial results announced in the "Summary of Financial Results for the Fiscal Year Ended March 31, 2021 [Japanese GAAP] (Consolidated)" dated May 12, 2021.

Forecast is revised into the nine-month period, subtracting the forecast of financial results for the three-month period from January 1, 2022 to March 31, 2022, when sales will be concentrated, from the twelve-month period from April 1, 2021 to March 31, 2022.

Amendment to forecast of consolidated financial results for full year ended December 31, 2021 (April 1,2021 through December 31, 2021)

| | Sales | Operating Income | Ordinary Income | Profit Attribute to Owners of Parent | Profit per Share |
|---|---|---|---|---|---|
| Previously announced forecast (A) | Millions of Yen<br>2,500<br>～3,000 | Millions of Yen<br>▲700<br>～▲300 | Millions of Yen<br>▲680<br>～▲280 | Millions of Yen<br>▲685<br>～▲285 | Yen<br>▲62.85<br>～▲26.15 |
| Amended forecast (B) | 350 | ▲1,000 | ▲1,000 | ▲1,000 | ▲91.75 |
| (Reference) Forecast from January to March 2022 (A - B) | 2,150<br>～2,650 | 320<br>～700 | 320<br>～720 | 315<br>～715 | ― |

*Attention*

*This document is an unofficial translation of the timely disclosure on May 24, 2021 by ACSL and this is for reference purpose only. In case of a discrepancy between the English and Japanese versions, the Japanese original shall prevail.*

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