

October 29, 2020

To Whom It May Concern,

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(Code Number: 5481, First Section of the TSE)
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Notice Regarding Differences between the Consolidated Earnings Forecasts and the Actual Results for the First Half of Fiscal Year Ending March 31, 2021

Sanyo Special Steel Co., Ltd. hereby announces that there are differences between the consolidated earnings forecasts announced on July 31, 2020 and the actual results for the first half of the fiscal year ending March 31, 2021 announced today.

1. Differences between the consolidated earnings forecasts and the actual results for the first half of the fiscal year ending March 31, 2021 (April 1, 2020 – September 30, 2020)

	Net Sales	Operating Income	Ordinary Income	Net Income Attributable to Owners of the Parent	Net Income Per Share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Forecasts (A)	95,000	-5,400	-5,400	-4,800	-80.08
Actual Results (B)	97,161	-3,890	-3,957	-3,310	-60.75
Increase/Decrease (B-A)	2,161	1,510	1,443	1,490	
Change (%)	2.3	-	-	-	
(For Reference) Results for the first half of the fiscal year ended March 31, 2020	146,091	2,617	2,233	1,379	24.62

2. Reasons for the differences

Consolidated operating income, ordinary income, and net income attributable to owners of the parent for the first half of the fiscal year ending March 31, 2021 exceeded the previous forecasts since the Sanyo's sales volume (non-consolidated) in the second quarter increased more than expected and gain on reversal of loss on valuation of inventories, which was expected to be recorded after the third quarter in the previous forecast, was recorded earlier than expected in the second quarter.

Please note that the official text of this document has been prepared in Japanese. To the extent there is any discrepancy between the English translation and original Japanese version, please refer to the Japanese version.