

(This notice has been translated from the original notice in Japanese. In the event of any discrepancy, the original in Japanese shall prevail.)

November 5, 2020

Name of Company: Sanshin Electronics Co., Ltd.

Representative: Toshiro Suzuki (Representative Director, COO)

(Code No. 8150 Listed in the First Section of the Tokyo Stock Exchange)

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Senior General Manager of

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For Immediate Release:

Notice Regarding Discrepancies between Values of Business Forecast and Actual Results

Discrepancies have appeared between the Company's consolidated business forecast for the first half ended September 30, 2020 (forecast announced on August 5, 2020), and its actual results for the same period announced today.

Details

1. Discrepancies with the consolidated business forecast for the first half ended September 30, 2020

(April 1, 2020 to September 30, 2020)

(Million yen)

	Net sales	Operating profit	Ordinary profit	Net profit attributable to shareholders of parent company	Net profit per share (yen)
Previous Forecast (A)	52,000	400	350	300	15.64
Actual Results (B)	53,970	558	479	367	19.15
Increase/Decrease (B-A)	1,970	158	129	67	
Rate of Increase/Decrease (%)	3.8	39.5	36.9	22.3	
(Reference) Results for the First Half of Previous Term (Six Months Ended September 30, 2019)	66,413	1,191	1,118	859	44.83

2. Reason for discrepancies

During the consolidated first-half period under review, net sales exceeded the initial forecast because the impact of the spread of the novel coronavirus (COVID-19) was not as severe as our initial prediction. Furthermore, operating profit, ordinary profit, and net profit attributable to shareholders of parent company all exceeded the initial forecast. This was due to the gross profit on sales exceeding our initial prediction in conjunction with an increase in net sales, as well as to a decrease in selling, general and administrative (SG&A) expenses that exceeded our initial prediction as the result of voluntarily ceasing and reducing face-to-face sales activities which required physical travel as a countermeasure against COVID-19.